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HOUSING THE ELDERLY:
A COMPARISON OF CANADIAN AND
UNITED STATES EXPERIENCE

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by

Stephen M. Golant, Eric G. Moore
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by

Dr. Eric G. Moore and Dr. Mark W. Rosenberg
Queen's University
Kingston, Ontario
Canada, K7L 3N6

and

Dr. Stephen M. Golant
University of Florida
Gainesville, Florida
U.S.A.

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HOUSING THE ELDERLY: A COMPARISON OF CANADIAN AND UNITED STATES EXPERIENCE

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Executive Summary

This study seeks to establish the main dimensions of the relations between aging and housing and the associated public responses in Canada and the United States. It does so under five major themes:

- o demographic aspects of aging;
- o the changing distribution of the elderly;
- o the housing circumstances of the elderly;
- o emerging problems of housing the elderly; and
- o strategies for housing the elderly.

Demographic Aspects of Aging

In percentage terms, the elderly populations of the two countries are highly similar (10.7 percent of Canada's population in 1981 and just over 11.0 percent of the United States population in 1980). The elderly populations are increasingly female as one moves from the young-old to the very old age cohorts. In the next two decades, the elderly populations of both countries will grow significantly; particularly among the age 75 and over cohorts. In Canada, one forecast puts the elderly population at 4.1 million or almost 15 percent of the total population in 2006. In the United States, by 2010, the elderly population is projected to be 39.2 million or about 14 percent of the total population. The majority of the elderly in both countries are husband-wife households. Single elderly are much more likely to be female, older and renters.

In each decade since 1950, the economic status of the elderly populations of the two countries has improved. These improvements are likely to continue throughout the 1990s and into the early decades of the next century as more and more elderly women gain access to private and public pensions, and as today's working age and young-old reap the benefits of divesting themselves of houses where values have increased significantly over time. In both countries, there remains, however, a significant percentage of the elderly whose only means of income are government transfer payments, who are generally renters or even homeless, who mainly live alone and are concentrated in the urban core, whose economic status is not improving over time and who will continue to have housing problems.

The Changing Distribution of the Elderly

Implied in the changing geographic distribution of the elderly is that pressures for housing will vary substantially by region and communities within regions in both countries. A major differences which does appear between the two countries is that the elderly remain highly concentrated in the urban core of Canadian cities, whereas the elderly of the United States are an increasingly suburban population. Although not of the same magnitude, there is a growing preferences of the elderly in both countries to seek housing in retirement locations in environmentally attractive regions. One uncharted issue is the impact on the provision of housing and health and social services generated by Canadian and United States elderly who spend part of the year in Florida, other sunbelt states and California and return north for the remainder.

The Housing Circumstances of the Elderly

In both countries, most of the elderly are homeowners living in older housing. Elderly homeowners are likely to have small or no mortgages. In the United States, renters are more likely to live in physically deficient housing followed by elderly homeowners without mortgages. Although equivalent Canadian were not available to the authors, we do show that the percent of elderly Canadians living in housing in need of major repairs is roughly equivalent to the percent of U.S. elderly living in physically deficient housing. In addition, the poorest elderly have the highest incidence of living in deficient housing followed by elderly blacks, the rural elderly and the single elderly in the United States. With the exception of elderly blacks, it is likely that the same trends would hold for Canada.

Emerging Problems of Housing the Elderly

Elderly homeowners in both countries face problems of repair and poor heating and air conditioning. Their financial problems revolve mainly around the increasing costs of maintenance, property taxes and utilities. Where elderly renters do not live under rent controls, the major issue is rent increases. Where rent controls do exist, the elderly are likely to face the costs of physically detiorating buildings. In both countries, it is estimated that about a third of the elderly are paying excessive amounts for their housing.

In the United States the scale of neighbourhood problems is much more serious than it is in Canada, but crime, fear of attack, noise and air pollution, lack of public transit in suburban and rural areas and zoning barriers to shared housing affect the housing environment of the elderly.

With the growing proportion of the population which is elderly and the increasing evidence of the links among independent living, formal and informal support networks, public and private support for health and social services, the links between disability and housing will take on an even greater importance in the coming decades.

Strategies for Housing the Elderly

In Canada and the United States, the federal and provincial/state governments offer a wide-range of programs to make affordable housing available to the elderly and to encourage aging-in-place. Strategies employed in both countries include the direct and indirect funding of housing, cost-sharing with other levels of government and/or the private or non-profit sectors, and the financing of services by federal departments whose mandates are not housing. There appears, then, to be only differences of detail in the approaches taken by the two countries. Below the surface of appearances, there are, however, several major issues to be confronted and lessons to be learned from the experience in both countries.

First, even with all of the federal and provincial/state programs, there is a significant proportion of the elderly who continue to live in sub-standard housing and who are not benefitting from public sector initiatives. Second, there are problems of coordination among different levels of government, among different programs and program delivery.

Out of these observations, there are two major lessons for Canadian policy-makers to learn from United States experience. One is that Canadians policy-makers should treat housing the elderly within the context of neighbourhood development and second, the need for an annual housing survey so that programs can be developed and evaluated on the basis of current conditions. For United States' policy-makers, the lesson to be learned is how important Canada's "safety net" of universal health care and social policies is to aging-in-place. Finally, while a continuum of housing options created by private and non-profit sectors is to be encouraged, in both countries there will continue to be a need for governments to help the elderly remain in their current dwellings or to find alternative housing to stem the flow of the growing homeless elderly.

LE LOGEMENT DES AÎNÉS : UNE COMPARAISON DES EXPÉRIENCES AU CANADA ET AUX ÉTATS-UNIS

par

Stephen M. Golant, Eric G. Moore
et Mark W. Rosenberg

Résumé

La présente étude cherche à établir les principales dimensions des relations entre le vieillissement et le logement, et les réactions connexes du public au Canada et aux États-Unis. Cinq grands thèmes ont orienté l'étude :

- o les aspects démographiques du vieillissement;
- o l'évolution de la répartition des aînés;
- o les conditions de logement des aînés;
- o les nouveaux problèmes relatifs au logement des aînés;
- o des stratégies visant le logement des aînés.

Les aspects démographiques du vieillissement

La proportion des aînés dans les deux pays est à peu près la même (10,7 p. 100 de la population au Canada en 1981, et un peu plus de 11 p. 100 de la population aux États-Unis en 1980). La proportion des femmes augmente au fur de la progression en âge, de la cohorte des jeunes âgés à celle des très âgés. Au cours des deux prochaines décennies, la proportion d'aînés s'accroîtra considérablement dans les deux pays, particulièrement chez les cohortes des gens âgés de 75 ans ou plus. Selon une prévision, la proportion d'aînés au Canada passera à 15 p. 100 de la population totale, soit 4,1 millions de personnes, d'ici l'an 2006. Aux États-Unis, on prévoit qu'en l'an 2010, le nombre d'aînés s'établira à 39,2 millions de personnes, soit 14 p. 100 de la population totale. La majorité des aînés dans les deux pays font partie d'un ménage formé de deux conjoints. Les aînés seuls sont le plus souvent des femmes plus âgées et locataires.

À chaque décennie depuis 1950, la situation économique des aînés s'est améliorée dans les deux pays. Ces améliorations se poursuivront vraisemblablement durant les années 90 et les premières décennies du prochain siècle, car

un nombre croissant de femmes aînées ont accès à des régimes de retraite privés et publics et car, à l'heure actuelle, les aînés d'âge actif et les jeunes âgés récoltent les profits de la vente de maisons dont la valeur a augmenté considérablement au cours des années. Dans les deux pays, toutefois, il reste une proportion assez élevée d'aînés ayant les caractéristiques suivantes : leur revenu ne comprend que les versements gouvernementaux; ils sont généralement locataires ou même sans abri; la plupart d'entre eux vivent seuls et sont concentrés dans les quartiers centraux des agglomérations urbaines; leur situation économique ne s'améliore pas avec le temps et ils continueront d'éprouver des problèmes de logement.

L'évolution de la répartition des aînés

L'évolution de la répartition géographique des aînés signifie que les pressions relatives au logement varieront considérablement selon les régions et les collectivités à l'intérieur des régions, dans les deux pays. Une importante différence se manifeste entre les deux pays : les aînés demeurent très concentrés dans les quartiers centraux des villes canadiennes, tandis qu'aux États-Unis, un nombre croissant d'aînés habitent la banlieue. Bien que cette tendance ne soit pas égale dans les deux pays, les aînés préfèrent de plus en plus chercher des logements de retraite dans des milieux attrayants. Un problème n'a pas encore été exploré : l'incidence sur la production de logements et sur la prestation de services de santé et de services sociaux du fait que des aînés, soit canadiens ou américains, passent une partie de l'année en Floride, dans d'autres états de la ceinture de soleil ou en Californie, et retournent au nord pour le reste de l'année.

Les conditions de logement des aînés

Dans les deux pays, la majorité des aînés sont propriétaires-occupants de vieux logements. La plupart des propriétaires aînés ont de petits prêts hypothécaires ou n'en ont pas du tout. Aux États-Unis, les locataires sont les plus susceptibles de vivre dans des logements de qualité inférieure, suivis des propriétaires-occupants aînés sans prêt hypothécaire. Bien que les auteurs ne disposaient pas de données équivalentes pour le Canada, ils ont quand même démontré que la proportion des Canadiens âgés vivant dans des logements ayant besoin d'importantes réparations était à peu près la même que celle des Américains âgés vivant dans des logements de qualité inférieure. De plus, les aînés les plus nécessiteux sont les plus nombreux à vivre dans des logements de qualité inférieure, suivis des aînés noirs, des aînés ruraux et des aînés seuls, aux États-Unis. Exception faite des aînés noirs, il est probable que ces mêmes tendances s'appliquent aussi au Canada.

Les nouveaux problèmes relatifs au logement des aînés

Les aînés propriétaires-occupants des deux pays éprouvent des difficultés quant aux réparations requises, ainsi que des problèmes de chauffage et de climatisation. Leurs problèmes financiers découlent principalement de l'accroissement des coûts d'entretien, des taxes foncières et des frais de services publics. Lorsque les locataires aînés ne bénéficient pas de contrôles des loyers, les augmentations de loyer constituent le problème principal; lorsque des contrôles des loyers sont en place, les aînés doivent vraisemblablement subir les conséquences de la détérioration des bâtiments. Dans les deux pays, on estime qu'environ un tiers des aînés paient des montants excessifs pour leur logement.

L'ampleur des problèmes dans les quartiers est beaucoup plus grave aux États-Unis qu'au Canada, mais la criminalité, la peur d'être victime d'une agression, la pollution acoustique et atmosphérique, le manque de transport public dans les banlieues et les régions rurales et les règlements de zonage qui font obstacle aux logements partagés portent tous atteinte au milieu d'habitation des aînés.

Puisque les aînés représentent une proportion croissante de la population et que les liens entre la possibilité de vivre de façon autonome, les réseaux de soutien officiels et officieux et l'appui des secteurs public et privé aux services de santé et aux services sociaux deviennent de plus en plus évidents, les liens entre l'incapacité et le logement revêtiront encore plus d'importance dans les décennies à venir.

Des stratégies visant le logement des aînés

Au Canada et aux États-Unis, les gouvernements fédéral et provinciaux ou des États offrent toute une gamme de programmes visant à offrir des logements abordables aux aînés et à encourager ces derniers à vieillir chez eux. Les stratégies utilisées dans les deux pays comprennent, notamment, le financement direct et indirect de logements, le partage des coûts entre les différents paliers gouvernementaux ou les secteurs privé ou sans but lucratif, et le financement de services par des ministères fédéraux dont le mandat n'est pas l'habitation. Il semblerait donc que les différences entre les approches adoptées par les deux pays soient ténues. Il y a toutefois, sous les apparences, plusieurs difficultés importantes à résoudre, ainsi que des leçons à tirer des expériences vécues dans les deux pays.

Premièrement, une proportion assez élevée d'aînés continuent à vivre dans des logements de qualité inférieure et ne bénéficient pas des initiatives du secteur public malgré tous les programmes fédéraux, provinciaux ou des États. Deuxièmement, il existe des problèmes de coordination entre les divers paliers gouvernementaux et entre les différents programmes, et les méthodes d'application de ces programmes.

De ces observations, voici deux leçons importantes que peuvent tirer les décideurs canadiens de l'expérience des États-Unis : d'abord, les décideurs canadiens devraient envisager le logement des aînés dans le contexte de l'aménagement des quartiers; ensuite, il faudrait mener une enquête annuelle sur le logement de sorte que les programmes puissent être élaborés et évalués en fonction des conditions actuelles. Quant aux décideurs des États-Unis, la leçon à tirer se situe au niveau de l'importance du «filet de sécurité» constitué des services de santé et des politiques sociales au Canada pour permettre aux gens de vieillir chez eux. Enfin, bien qu'il faille encourager les secteurs privé et sans but lucratif à continuer à créer de nouvelles options en matière de logement, les gouvernements des deux pays devront continuer eux aussi à aider les aînés à demeurer dans leurs logements actuels ou à trouver d'autres logements, de manière à arrêter le flot croissant d'aînés sans abri.

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CHAPTER ONE

INTRODUCTION

As the economies of Canada and the United States continue to intertwine, a key issue in social policy will be how the two governments adjust social programs where traditionally one country has relied on the private and voluntary sector and the other country has relied on the public sector to produce goods or services for a client group. A good case in point is housing the elderly population.

For that segment of the elderly population in Canada which has difficulty or cannot house itself, the elderly population has tended to rely on public sector solutions. The opposite has been true in the United States. As the elderly population continues to grow in the two countries, will Canadian policymakers look to the United States or will American policymakers look to Canada for answers? Are the converging demographic trends of the two countries limiting the differences in approaches that can be taken in the two countries? Will social policy act as an agent or barrier to integration or interdependence between Canada and the United States? These are some of the questions which will be addressed in this study.

The Research Agenda

The populations of both Canada and the United States are growing older at a rapid rate. Not only are both males and females living longer, but dramatic decline in the birth rate over the past twenty years has also increased the relative proportion of the population over the age of 65. The increase in the proportion over 75 is even more dramatic and this is a sub-population whose health is relatively poor and which is not only very demanding of health and social services, but also requires special attention with regard to accommodation.

The concerns for housing among the elderly arise from many different directions. The exit from the labour force often means a significant reduction in income and this generates a number of problems. For renters, housing costs are a function of the larger relations of supply and demand and retain their levels despite the declining income of individuals, frequently making current housing unaffordable. For owners, financial difficulties arise both in terms of adequately maintaining the property and, for some, the ability to maintain payments on property taxes. Aging also brings with it other changes. Declining health threatens the ability to

maintain an independent lifestyle and increases the likelihood of institutionalization or the movement to homes of other members of the family. Aging also increases the likelihood of changes in household structure through death of a spouse, imposing a variety of stresses, emotional, physical, social and economic, on the individual which affect the ways in which he or she assesses current housing circumstances.

The basic policy issues revolve around the differing views of the roles of the public, private and voluntary sectors. To what extent should the public sector directly or indirectly provide housing support for the elderly with varying needs and the methods by which such support should be pursued? To what extent should the private and voluntary sectors be relied upon to provide housing for the elderly, albeit within changing regulatory frameworks more appropriate to an aging society? Should more affluent elderly be expected to use up assets before receiving public subsidies? Should housing subsidies be provided directly for elderly renters and homeowners or should the primary focus be on income transfers with market conditions resolving the relation between housing and income? Should policies be directed toward improving institutional accommodation or should greater attention be given to increasing the responsibility of families for aging members? These questions have arisen both within Canada and the United States but have not necessarily evoked similar responses.

This study seeks to establish the main dimensions of the relations between aging and housing and the associated public responses in Canada and the United States. In particular, attention will be given to issues of equality among differing sub-groups of the elderly defined in terms of differences in gender, income, wealth, and location. While many analyses of the elderly have been undertaken at the national level, the internal disparity generated by the actions of sub-national jurisdictions is also of interest, so the respective roles of provincial, state and local governments will also be examined.

The study examines five major issues:

- demographic aspects of aging;
- the housing circumstances of the elderly;
- the changing distribution of the elderly;
- emerging problems of housing the elderly;
- strategies for housing the elderly.

Demographic Trends

The rates of increase in the elderly in the two countries are well known as is the probable path of growth over at least the next fifty years (Foot 1982). Perhaps more important than the numbers over the age 65 is the distribution. Recent work by Stone (1987) has shown that the rate of increase of life expectancy at age 65 is largely attributable to the phenomenal increases over the age of 80. Stone has, however, indicated that these increases are often in conditions of poor health and suggest disproportionately large increases in the demand for a wide range of services, including specialized housing.

Interest in housing demands a concern for household composition and living arrangements. Data sources in this areas are more limited than for individuals, although the growth of single person households, particularly females, is well documented. Emphasis in this segment of the study involves both reviewing the literature in this area and in supplementing it with limited analyses of the Canadian Public Use Sample for 1981 and the American Housing Survey for 1985 to produce a comparison of household arrangements in the two countries. Attention is also given to the rate of institutionalization.

Housing Circumstances

As a context in which to consider the emerging problems of housing the elderly, we examine the broad dimensions of the housing conditions of the elderly. We know that the proportion of owner-occupants increases with age, although the overall distributions have changed in the last decade as access to homeownership has become more difficult. More than half of the elderly are still homeowners at the age of 75, with considerable implications for public policy.

Consumption of housing by the independent elderly exhibits a higher degree of variability than virtually any other sub-group, since declining household size often leaves elderly individuals and couples over-consuming in terms of space. Current knowledge of these conditions in the two countries is assessed and summarized.

Distributional Issues

All too often, contemporary social problems are considered solely in national terms without regard to the fact that their occurrence varies substantially both regionally and locally. The elderly are by no means uniformly distributed across either country. Suburbs are much younger demographically than central cities; economically growing regions are younger than those whose economies are declining as migration in response to economic opportunity is largely a characteristic of the young. New emphases on amenity and attractive environments have produced regionally and temporally specific flows. In Canada, the affluent elderly are concentrating in British Columbia and the new purpose built retirement communities in southern Ontario. In the United States, the migration flows are particularly to the West, Southwest and Florida, at the same time increasing the concentration of the poorer elderly in origin regions. There is also seasonal migration of the affluent elderly of both countries to the amenity regions of the southern United States which has implications for policymakers in both the origin regions and the host regions.

Since the housing stock varies in structure, quality and price from one locale to another and housing policies and programs are developed and implemented at different levels of government, it is important to establish the spatial dimensions of the distributions of the elderly. This segment of the study draws on the existing literature and the most recent available census materials.

Emerging Problems of Housing the Elderly

Problems in housing for the elderly emerge as the result of other aspects of the process of aging. The changes in economic resources of the elderly associated particularly with retirement generate problems of affordability which have different characteristics for owners and renters. Particularly for those renters dependent on basic social security payments, it is easy for shelter costs to consume more than half of their monthly income, imposing major stresses on other areas of necessary expenditure such as food and clothing. While the average economic health of the elderly has steadily improved over the past two decades, the distribution has become increasingly skewed and the proportion of elderly renters experiencing financial stress has grown.

Among owners, financial stress can result directly in problems of affordability, more often in relation to property taxes than to mortgage payments. It also emerges in the ability to keep up the maintenance on the dwelling. In both Canada and the United States, this is likely to become a more significant problem over the next two decades as many of those who entered the owner market in the 1950s bought housing which was relatively poorly constructed and which needs substantial inputs.

A second set of problems emerge from the death of a spouse which creates a situation of over-consumption of housing in which the size of the unit far exceeds the needs of the individual.

Unfortunately, when these units are owner-occupied, the costs of occupancy are often less than the costs of alternate rentals, provided little is spent on maintenance. The outcome is often both undesirable for the individual and highly inefficient in terms of use of the housing stock.

Decline in health and erosion of local social support networks with increasing age create a third set of problems associated with the maintenance of independence of the elderly individual. Issues of housing merge with those of health and social service delivery. Pressures develop to provide alternative accommodations which satisfy the mix of needs of the elderly. At the same time, the expense of such alternatives coupled with those of institutionalization encourage the development of other strategies which keep the elderly in their homes for longer periods.

The changing location of the elderly raises additional questions about the future provision of services. As the inner suburbs of our cities start to age, the elderly population becomes progressively more dispersed and the provision of services becomes more problematic. The degree of flexibility in the distribution of the elderly is then a function of the propensity to move away from homeownership with increasing age.

Strategies for Housing the Elderly

Public policies and programs have evolved in both Canada and the United States to address both current and emerging problems. The policy issues focus on the degree to which the private and voluntary sectors should assume responsibility for providing solutions to problems either independently or with government encouragement through grant, subsidy or regulation. The governmental structures in which such policies are developed are very different in Canada and the United States, with housing being split between federal and local initiatives in the United States while it is primarily a provincial concern although with financial input from the federal level in Canada.

From a program perspective, the strategic issues arise primarily in the context of direct construction of facilities for the elderly to indirect methods of rent and income supplements under various forms of needs assessment. In regard to the elderly, it is also important to consider the various health and social service programs which are oriented to the maintenance of independence of the individual in their homes.

We assess the impact of strategies which stress the role of the three sectors and whether there appears to be a convergence or divergence of policies in the two countries. We also discuss whether housing the elderly should be dealt with through housing programs alone or as part of an integrated package of housing, income support, and health and social service strategies.

Organization

In Chapter Two, the demographic trends and distributional issues affecting the elderly populations of Canada and the United States are reviewed. This is followed in Chapter Three by an examination of the housing circumstances of the elderly and a discussion of emerging problems to meet their housing requirements. In Chapter Four, emphasis is placed on a review of the federal and provincial/state roles in making available affordable housing for the elderly and aging-in-place policies. We conclude in Chapter Five by returning to the three questions posed at the beginning of this introduction.

As far as possible, we have tried to compile matching data to compare the elderly and their housing experiences. In a study of this nature, however, sometimes this is not possible. This is, itself, an issue which we return to in the concluding chapter.

The growing importance of the elderly population in Canada and the United States cannot be denied. The sheer costs of providing basic social security payments and decent housing for the elderly will force both governments to look to the other for possible policy solutions and pitfalls to avoid. Our study, then, is a starting point for what we can learn from each other.

CHAPTER TWO

SOCIODEMOGRAPHIC INDICATORS ASSOCIATED WITH THE HOUSING-RELATED PROBLEMS OF THE ELDERLY IN CANADA AND THE UNITED STATES

Demographic indicators can provide a rough measure of the potential magnitude of a country's housing need both in the present and the future. Identifying the age composition of the elderly population (age 65 and older) offers particular insights because various other social, economic, and health characteristics are linked to chronological age. As the elderly population becomes dominated by persons over the age of 75 or 80, it is also more likely to contain higher percentages of the physically and mentally impaired (implying a greater demand for more supportive housing arrangements), higher percentages of persons with lower incomes (due to a longer post-retirement period and the depletion of savings and investments), higher percentages of female persons living alone (linked to the greater likelihood of male spouse deaths), higher percentages of unrelated older persons living together, a decline in the availability of family caregivers (who themselves will more likely be old and in the labor force), and higher percentages of poorly educated persons (due to a generation effect).

Population Size, Age Structure and Sex

The changing demographics of aging in Canada and the United States are distinguished in three important ways. First, the growth of the elderly population has been steadily increasing. Between 1951 and 1986, Canada's population age 65 and over increased by almost 154 percent from 1.06 million to 2.7 million (Table 1). In the United States, between 1950 and 1980 the population age 65 and over increased by over 108 percent increasing from 12.3 million to 25.5 million persons (Table 2). In addition, the elderly population has been growing at a faster rate than the rest of the population in both countries. In Canada, the population age 65 and over represented 7.6 percent of the population in 1951 and 10.7 percent of the population in 1981. The percentage of the total U.S. population that is age 65 and over increased from 8 percent in 1950 to over 11 percent in 1980.

Second, the age distribution of the elderly population has become increasingly skewed to the oldest age group. Between 1951 and 1986, the number of young-old (between the ages of 65 and 74) grew by about 128 percent, the number of old-old (between the ages

Table 1: Canada's Elderly Population, 1921 to 1986

Year	Age Cohorts 65-74	 75-84	 85+	total elderly popul'n	total Canadian popul'n
1921	290220	109250	20774	401547	8787949
1931	402907	147861	25308	576076	10376785
1941	524825	207209	35781	767815	11506655
1951	724569	285182	52522	1062273	14009429
1956	834821	344594	64523	1243938	16080791
1961	889277	421054	80823	1391154	18238247
1966	958916	477684	102948	1539548	20014880
1971	1077340	529680	137390	1744410	21568310
1976	1254540	583270	164540	2002350	22992600
1981	1477745	689445	193785	2360975	24343180
1986	1650090	819730	227760	2697580	25309330

Source: Statistics Canada (1986) Census of Canada. Age, Sex and Marital Status (93-101). Ottawa: Supply and Services Canada.

Table 2: United States' Elderly Population, 1920 to 1980

Year	Age Cohorts (in 000s) 65-74	 75-84	 85+	total elderly popul'n	total U.S. popul'n
1920	3464	1259	210	4933	105711
1930	4721	1641	272	6634	122775
1940	6375	2278	365	9019	131669
1950	8415	3278	577	12270	150967
1960	10997	4633	929	16560	179323
1970	12447	6124	1409	19980	203302
1980	15578	7727	2240	25544	226505

Source: U.S. Bureau of the Census, Decennial Censuses, 1900-1980.

of 75 and 84) grew by about 187 percent while the number of very (old 85 and over) grew by about 334 percent (Table 1). By comparison, Canada's total population only grew by about 81 percent in the same period. In the United States, between 1950 and 1980 the young-old grew by about 85 percent, the old-old grew by about 136 percent, and the very old grew by about 288 percent. Thus by 1980 there were about 10 million persons over age 75 in the U.S compared with only 3.9 million in 1950. While in 1950, the age 75 and older population represented 2.6 percent of the total U.S. population, in 1980 this group represented 4.4 percent of the population. These changes are reflected in the age distributions shown in Table 2, whereby in 1980 almost 39 percent of the 65 and older population was over age 75 compared with just over 31 percent in 1950.

Third, a higher proportion of older people are women and the ratio of females to males increases with chronological age. In 1986, Canada's elderly females made up 58.0 percent of the eldery and the remainder were males (Table 3). In the 65 to 74 age cohort, females accounted for 55 percent of the elderly, in the 75 to 84 age cohort, they accounted for 60 percent of the total and in the 85 and over age cohort, they accounted for almost 70 percent of the elderly. In the United States, in the age group 65 to 74 about 57 percent were females, while almost 70 percent of the 85 and older group were females in 1980 (Table 4).

In both countries, the ratio of females to males has been increasing since 1930 due to both generation (reduced deaths from pregnancy and childbirth) and women's longer life-expectancy than males. In Canada, the ratio of females to males (65 and over) increased from 106 in 1961 to 138 in 1986 (1961 and 1986 Censuses of Canada) and between 1960 and 1985 the ratio of females to males (age 65 and older) in the United States increased from 121 to 151 (U.S. Senate, 1989).

In Canada, the elderly population will continue to grow reaching over 4.1 million or 14.7 percent of the total population by 2006 (Table 5). During the period 1986 to 2006, the projected growth in the young-old will be positive but at a moderately reduced rate compared to the period 1966 to 1986. In the other two cohorts, growth is projected at rates similar to those previously witnessed between 1966 and 1986. Overall the sex ratio of the elderly is not likely to change substantially by the beginning of the next century when it will be about 133 females to 100 males over the age 65 in 2001 (Statistics Canada, 1985). During the decade beginning in 2021, as the "baby boomers" reach 65, the elderly population will grow to about 20 percent of the total population.

In the United States, the population trends for the elderly are confidently projected to continue at least through 2010 (Table 6). While the overall growth of the age 65 and older population will slow somewhat over the period, 1980 to 2010, the size of the

Table 3: Size of Canada's Elderly Population, 1986

Age Cohort	Males	Females	Total
65 to 74	738875	911215	1650090
75 to 84	325265	494465	819730
85 +	69200	158565	227765
total	1133340	1564245	2697585
total population	12485650	12823675	25309325

Source: Statistics Canada (1986) Census of Canada. Urban and Rural Areas, Canada, Provinces & Territories, Part I (94-129). Ottawa: Supply and Services Canada.

Table 4: Size of the United States Elderly Population (in 000s), 1980

Age Cohort	Males	Females	Total
65 to 74	6757	8824	15581
75 to 84	2867	4862	7729
85 +	681	1559	2240
total	10305	15245	25550

Source: U.S. Bureau of the Census (1983) General Population Characteristics, United States Summary, PC80-1-B1. Washington, D.C.: U.S. Government Printing Office, Table 45.

Table 5: Canada's Future Elderly Population (in '000s), 1986 to 2006[a]

Year	Age Cohorts 65-74	75-84	85+	total elderly popul'n	total Canadian popul'n
1986[b]	1650.1	819.7	227.8	2697.6	25309.3
1991	1884.4	1013.6	271.1	3173.3	26612.4
1996	2069.8	1168.1	340.4	3578.3	27348.0
2001	2113.1	1347.7	423.6	3884.5	27815.5
2006	2180.3	1470.7	490.2	4141.2	28089.6

a. Projection No. 2, On June 1 of the relevant year.
b. Taken from Table 1.

Source: Statistics Canada (1985) Population Projections for Canada, Provinces and Territories, 1984-2006. Ottawa: Supply and Services Canada.

Table 6: United States' Future Elderly Population, 1980 to 2040

Year	Age Cohorts (in 000s) 65-74	75-84	85+	total elderly popul'n	total U.S. popul'n
1980	15578	7727	2240	25544	226505
1990	18035	10349	3313	31697	249657
2000	17677	12318	4926	34921	267955
2010	20318	12326	6551	39195	283238
2020	29855	14486	7081	51422	296597
2030	34535	21434	8612	64581	304807
2040	29272	24882	12834	66988	308559

Source: 1900-1980 U.S. Bureau of the Census, Decennial Censuses old-old and very old population will steadily increase at rates only slightly lower than in previous decades. The 85 and older population itself is expected to grow by 49 percent in the decade of the 1990s and by 33 percent in the decade of the 2000s.

In contrast, between 1990 and 2000 the young-old (age 65-74) population will exhibit negative growth. This will reflect the relatively small generation of depression babies who will reach their 65th birthdays during the 1990s. Consequently, by the year 2010 over 48 percent of the U.S. age 65 and older population will be over the age of 75. Only in the decade of 2010 will these patterns exhibit a major shift. During this period the U.S. baby boom population (1945-1964) will reach old age resulting in disproportionate high growth rates of the young-old group. Until the effects of the baby boom begin to take hold, the positive rates of growth projected for old-old and the very old are likely to push female-male sex ratios higher because of the relatively high percentage of females in these age groups. Thus in the year 2000 it is expected that there will be 154 age 65 and older females for every male.

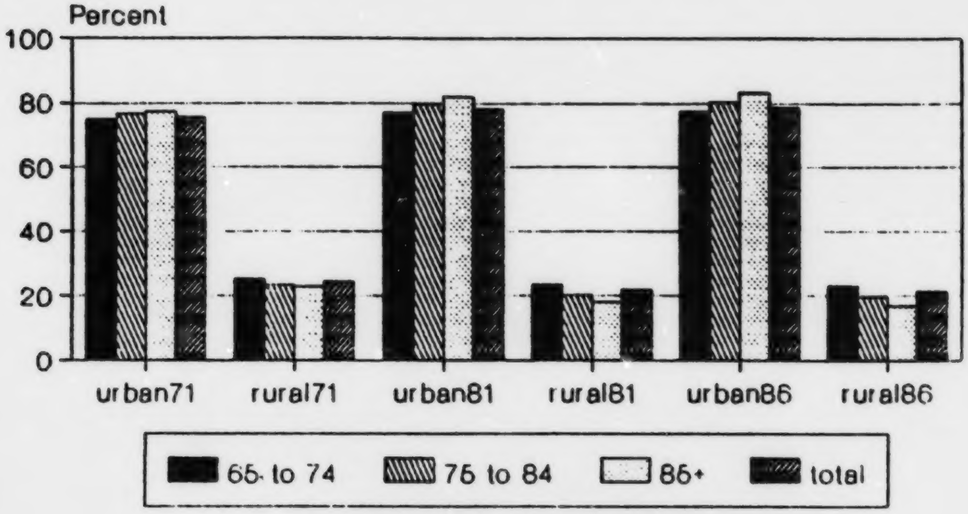
Urban and Regional Location Patterns

The elderly population like other age groups are more likely to be concentrated in certain regions of each country and certain city, suburban, and rural places rather than in others. In turn, certain locations are more likely to contain elderly populations whose lifestyles or personal resources are contributing to their unsatisfactory residential accommodations. While a thorough analysis of the distributional patterns of the elderly in both countries is outside the scope of this study, some basic points about the locations of the elderly populations in the two countries can be made.

Changes in the geographic distribution of Canada's elderly population have mirrored the changes in the population in general. As Canada has gone from a rural to an urban based population in this century, so too, has the elderly population become increasingly concentrated in the urban areas of Canada (Figure 1). In 1986, about 77 percent of the young-old, 81 percent of the old-old and 83 percent of the very old lived in urban areas.

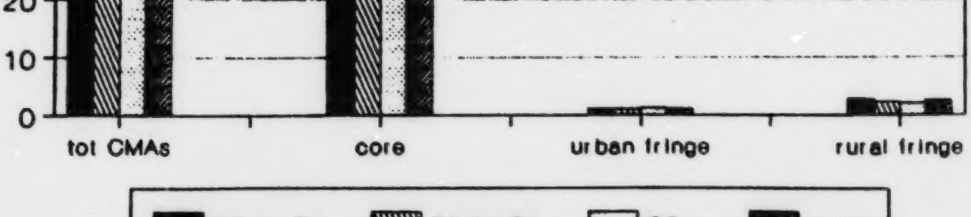
Since World War Two, another feature of the changing geographic distribution of the population has been the growth in Canada's largest census metropolitan areas (CMAs). The growth of the CMAs has been about the growth of suburban communities of working age people. In contrast, the elderly have remained concentrated in the urban cores of Canada's CMAs and census areas (Figures 2 and 3). Relatively few elderly live in the urban and rural fringes of Canadian cities. Of the approximately 20 percent

Figure 1: Canada's Elderly Population, Urban and Rural Distributions, 1971, 1981 and 1986



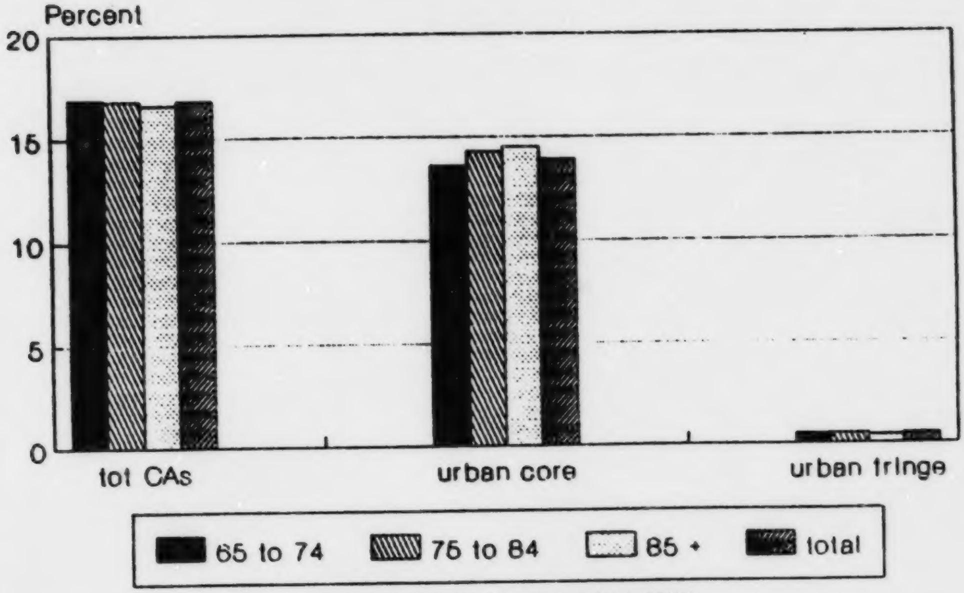
Sources: Statistics Canada. 1971 Census (92-715), 1981 Census (92-901) and 1986 Census (94-129).

Figure 2: Canada's Elderly Population, Census Metropolitan Areas (CMAs), 1986



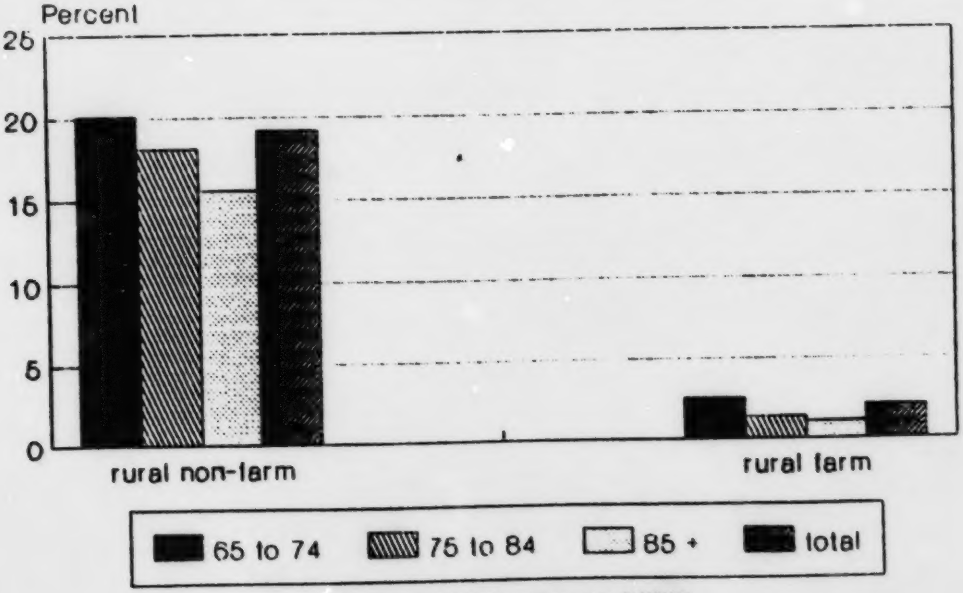
Source: Statistics Canada (1986). Census of Canada (94-129)

Figure 3: Canada's Elderly Population, Census Areas (CAs), 1986



Source: Statistics Canada (1986).
Census of Canada (94-129)

Figure 4: Canada's Elderly Population, Rural Areas, 1986



Source: Statistics Canada (1986).
Census of Canada (94-129)

of the elderly who lived in rural areas in 1986, almost all of them lived in locations classified as rural non-farm (Figure 4). Many within this group have likely moved from their farms after retirement or when they could no longer operate their farms (See Moore and Rosenberg 1988).

A third feature of the geographic distribution of the elderly population has been the growth of the elderly population as a percentage of the total population in every region of the country with the exception of the Yukon and Northwest Territories (Figure 5). In 1986, the elderly represented 10 percent or better of the total population in every province and in British Columbia, it was over 12 percent of the population.

The fourth feature of note has been the changes occuring in the regional distribution of the elderly population (Figure 6).[1] Atlantic Canada's share of the elderly population has been in decline since 1921. It is mainly the result of slow growth in the total population. The Quebec share of the elderly population has been growing since 1951 mainly as the result aging in place of a mainly french speaking population. With the largest number of elderly, Ontario's share has remained about the same since 1951. Beginning in the 1960s, Prairie farmers on reaching retirement have given up their farms and moved to more environmentally amenable regions. Some of the major receiving locales for this migration have been in British Columbia. Indeed, the milder climate and the scenic beauty of British Columbia has made it attractive to people from all across Canada planning to retire, and hence the steady growth in British Columbia's share of the elderly population since 1951.

As suggested above, geographic mobility is contributing to the redistribution of the elderly population over time. People are, however, much more likely to move to an area where they plan to retire prior to reaching the elderly age cohorts than they are likely to move after they are in the elderly age cohorts. The elderly have very low mobility rates and the rates decline with age (Figure 7). If a move is made, it is likely to be to a different dwelling but in the same Census Subdivision (CSD).

Like the Canadian elderly population, the elderly population of the United States is regionally distributed in a similar fashion as the overall U.S. population, and following general regional growth patterns, they are much more likely to occupy southern and western areas of the country than in the past (Table 7).

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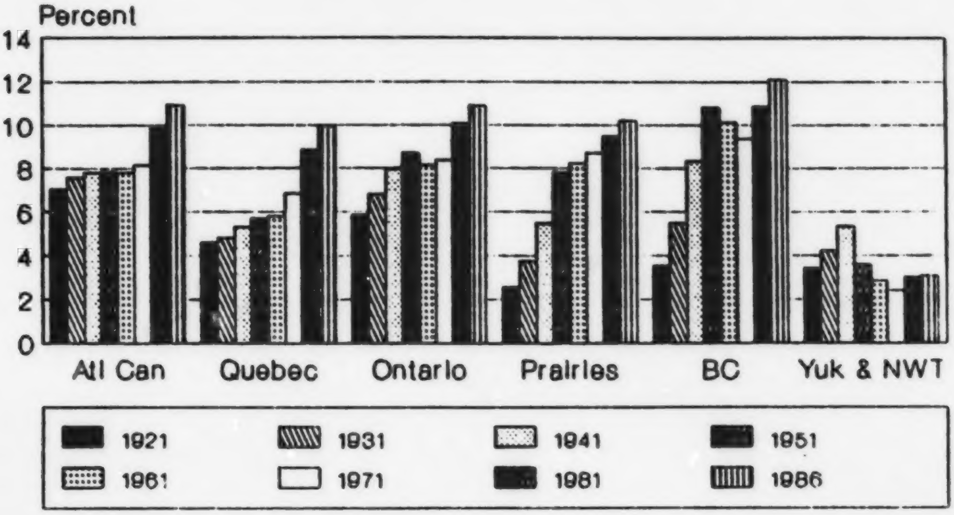
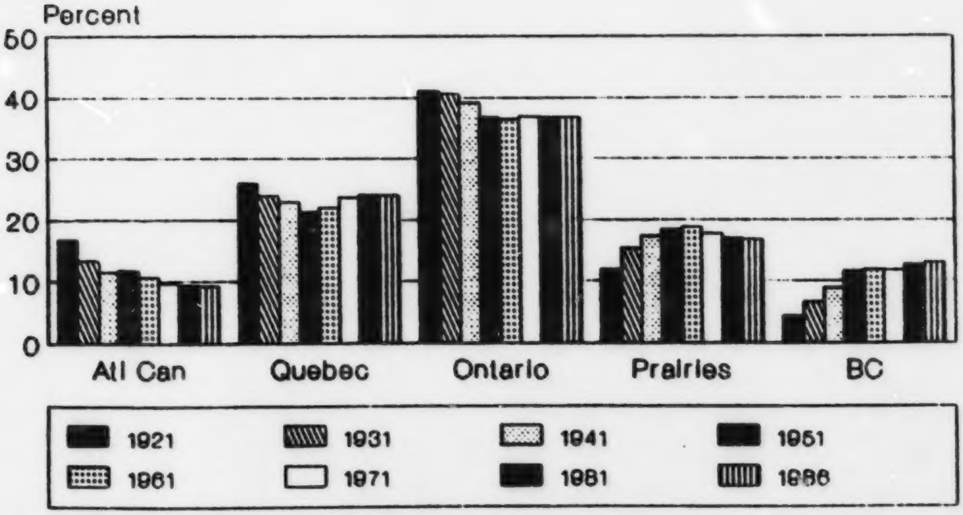
[1] Between 1921 and 1986, the elderly in the Yukon and Northwest Territories represented less than 1.0 percent of the total elderly population. The result is that they do not appear in Figure 15.

Figure 5: The Elderly as a Percentage of the Total Population in Each Region, 1921 to 1986



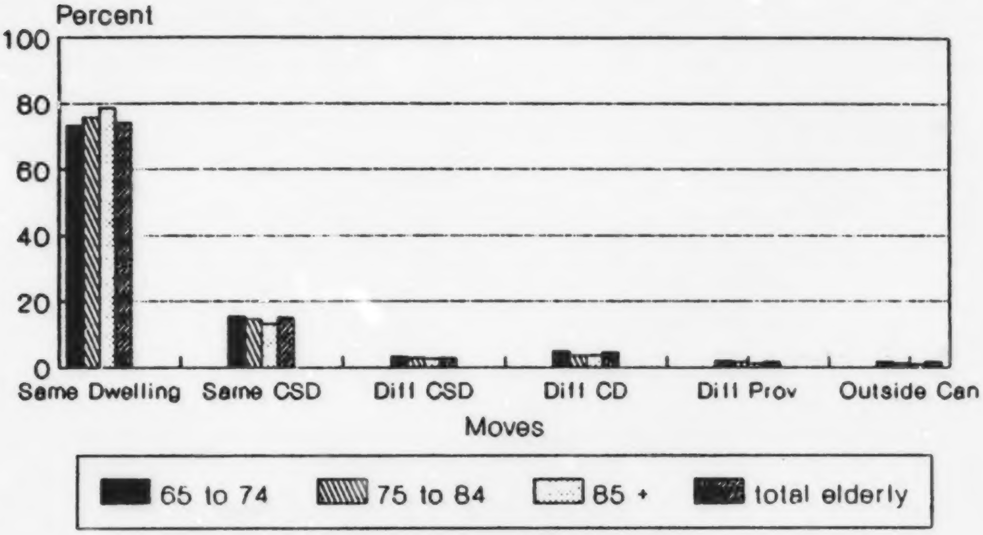
Source: Statistics Canada (1986).
Census of Canada (93-101)

Figure 6: The Elderly by Region as a Percent of Canada's Total Elderly Population, 1921 to 1986



Source: Statistics Canada (1986).
Census of Canada (93-101)

Figure 7: Geographic Mobility of Canada's Elderly Population, 1981



Source: Statistics Canada (1981).
Public Use Sample.

Table 7: Regional Distribution of U.S. Population Age 65 and Over, 1950-1986

Region	1950	1960	1970	1980	1986
U.S.	100.0	100.0	100.0	100.0	100.0
Northeast	28.1	27.2	25.9	23.8	23.0
New England	7.4	6.8	6.4	6.0	5.8
Mid Atlantic	20.7	20.4	19.4	17.8	17.1
Mid West	32.4	30.7	28.9	26.2	25.3
East North Central	21.2	20.3	19.1	17.6	17.2
West North Central	11.2	10.4	9.8	8.6	8.1
South	26.5	27.7	29.7	33.2	33.9
South Atlantic	11.4	12.7	14.4	17.1	18.0
East South Central	6.7	6.4	6.3	6.5	6.3
West South Central	8.4	8.6	9.1	9.6	9.6
West	13.0	14.5	15.5	16.8	17.8
Mountain	2.9	3.2	3.5	4.2	4.6
Pacific	10.1	11.3	12.0	12.7	13.2

Sources:

U.S. Bureau of the Census (1950) U.S. Census of Population: 1950. General Characteristics, United States Summary. Washington, D.C.: U.S. Government Printing Office, Tables 61 and 62.

U.S. Bureau of the Census (1962) U.S. Census of Population: 1960. General Social and Economic Characteristics, United States Summary. Washington, D.C.: U.S. Government Printing Office, Final Report PC(1)-1C, Table 105.

U.S. Bureau of the Census (1972) U.S. Census of Population: 1970. General Social and Economic Characteristics, United States Summary. Washington, D.C.: U.S. Government Printing Office, Final Report PC(1)-1C, Table 140.

U.S. Bureau of the Census (1978) Demographic Aspects of Aging and the Older Population in the United States. Washington, D.C.: U.S. Government Printing Office, Special Studies Series P-23, No. 59, Table 4-1, p. 17.

U.S. Bureau of the Census (1987) Current Population Reports. State Population and Household Estimates, With Age, Sex, and Components of Change: 1981-1986. Washington, D.C.: U.S. Government Printing Office, Series P-25, No. 1010, Table 11, p. 16.

They are predominantly urban dwellers and tend to be concentrated inside Urbanized Areas. Using Metropolitan Statistical Areas rather than Urbanized Areas as the major unit of analysis reveals that since 1950 the U.S. elderly population has come to increasingly occupy suburban areas, and that the majority of the metropolitan elderly now live in the suburbs (Tables 8 and 9). This is in contrast to Canada's elderly population who continue to live mainly in the urban cores of its cities.

Notable locational differences also characterize owners and renters with the latter much more likely to occupy urban areas, especially the central cities of Urbanized Areas (Table 10). A more complete analysis of these patterns along with the relocation behaviours underlying them are found in Golant (1987, 1990a, 1990b).

Marital Status and Living Arrangements

A number of potential housing problems (e.g., excessive financial expenditures, loneliness, living in an oversized house, difficulty of making home repairs) may be associated with the size and marital status of the household.

The majority of the age 65 and older population live in husband-wife households and this is especially true of homeowners as opposed to renters. In the case of Canada, almost 62 percent of the elderly lived in family households, about 31 percent) lived in non-family households and about 7 percent lived in institutions in 1986. These aggregates, however, mask substantial differences between elderly men and women, and between the young-old and the old-old and very old. While almost three out of four of the young-old live in a family household, and most of those live with a spouse or a child, only slightly over half of the elderly 75 and over live in a family household (Table 11). In both age groups, most of those who live in a non-family household, live alone.

Most elderly men live in a family household, and most of those who do, live with a spouse or a child (Table 12). In contrast, only slightly better than half of all elderly women live in a family household setting, although most who do, live with a spouse or child. This leaves almost half of all elderly women living in non-family households, and most of them live alone. The relatively small percentage of elderly men who live in non-family households almost all live alone. Taking tenure into consideration, more than 55 percent who live alone (non-family-1 person) are renters (Table 13).

In the United States, similar to Canada, the majority of the age 65 and older population live in husband-wife households and this is especially true of homeowners as opposed to renters (Table

Table 8: Urban-Rural Locational Distribution of U.S. Elderly Population, 1980 (percentage distribution)

	Age Cohorts				
	65-74	75-84	85+	65+	All Ages
Total Population	15580	7729	2240	25549	226545
Percentage Total	100.0	100.0	100.0	100.0	100.0
Urban	73.5	75.9	77.1	74.5	73.7
Inside Urbanized areas	59.2	60.0	59.3	59.5	61.4
Central Cities	30.6	32.5	32.5	31.4	29.6
Urban fringe	28.6	27.5	26.8	28.1	31.8
Outside Urbanized areas	14.3	15.8	17.8	15.1	12.3
Places of 10,000+	6.5	7.1	7.9	6.8	6.0
Places 2500 to 10000	7.8	8.7	9.9	8.3	6.4
Rural	26.5	24.1	22.9	25.5	26.3
Places of 1000 to 2500	4.0	4.5	5.1	4.2	3.1
Other rural	22.5	19.7	17.8	21.2	23.2
Inside SMSA's	71.0	71.0	70.3	70.9	74.8
Outside SMSA's	29.0	29.0	29.7	29.1	25.2

Source: U.S. Bureau of the Census (1983) U.S. Census of Population:1980. General Population Characteristics, United States Summary. Washington, D.C.: U.S. Government Printing Office, PC80-1 B1, Table 43.

Table 9: Percentage of Urban-Rural Location Occupied By ELderly, 1980

	Age Cohorts				
	65-74	75-84	85+	65+	All Ages
Total Population	15580	7729	2240	25549	226545
U.S.	6.9	3.4	1.0	11.3	100.0
Urban	6.9	3.5	1.0	11.4	100.0
Inside Urbanized areas	6.6	3.3	1.0	10.9	100.0
Central Cities	7.1	3.7	1.1	12.0	100.0
Urban fringe	6.2	2.9	0.8	10.0	100.0
Outside Urbanized areas	8.0	4.4	1.4	13.8	100.0
Places of 10,000+	7.5	4.1	1.3	12.9	100.0
Places 2500 to 10000	8.5	4.7	1.5	14.7	100.0
Rural	6.9	3.1	0.9	10.9	100.0
Places of 1000 to 2500	8.9	4.9	1.6	15.4	100.0
Other rural	6.7	2.9	0.8	10.3	100.0
Inside SMSA's	6.5	3.2	0.9	10.7	100.0
Outside SMSA's	7.9	3.9	1.2	13.0	100.0

Source: U.S. Bureau of the Census (1983) U.S. Census of Population: 1980. General Population Characteristics, United States Summary. Washington, D.C.: U.S. Government Printing Office, PC80-1 B1, Table 43.

Table 10: U.S. Urban-Rural Locational Distributions of Age 65 Plus Households, 1985 (percentage distribution)

	Total	Owner	Renter	Mobile Homes
Total Occupied Units (in 000s)	18896	13835	5062	986
Percentage Total	100.0	100.0	100.0	100.0
Inside Urbanized Areas	58.9	54.6	70.8	40.8
Central Cities of (P)MSA's	32.6	27.8	45.6	14.9
Urban Fringe	26.4	26.8	25.2	25.9
Outside Urbanized Areas	41.1	45.4	29.2	59.2
Other urban	15.2	15.4	14.7	11.7
Rural	25.8	30.0	14.6	47.6

Source: American Housing Survey. (1985)

Table 11: Living Arrangements of Canada's Elderly by Age, 1986

Living Arrangements	Percent of 65 to 74	Percent of 75 & over
Elderly in Family Households	72.2	55.9
Husband, Wives or Lone Parents	68.1	46.5
Children living with lone parent	0.1	0.0
Non-family persons living with rel.	3.5	8.7
Non-family persons living with non-rel.	0.4	0.7
Elderly in Non-Family Households	27.8	44.1
Living with rel.	3.3	5.5
Living with 1 or more relatives	1.7	2.0
Living Alone	22.8	36.7

Source: Statistics Canada (1986). Census of Canada. Families: Part I (93-106). Ottawa: Supply and Services Canada.

Table 12: Living Arrangements of Canada's Elderly by Sex, 1986

Living Arrangements	Percent of Males	Percent of Females
Elderly in Family Households	81.3	55.1
Husband, Wives or Lone Parents	77.8	47.3
Children living with lone parent	0.1	0.1
Non-family persons living with rel.	2.8	7.2
Non-family persons living with non-rel.	0.6	0.5
Elderly in Non-Family Households	18.7	44.9
Living with rel.	2.5	5.3
Living with 1 or more relatives	1.7	1.9
Living Alone	14.5	37.7

Source: Statistics Canada (1986). Census of Canada. Families: Part I (93-106). Ottawa: Supply and Services Canada.

Table 13: Living Arrangements by Housing Tenure for Canada's Elderly, 1981

Living Arrangements	Percent Who Own	Percent Who Rent
Hus & Wife - No Children	75.3	24.7
Hus & Wife - With Children	86.3	13.7
Lone Parent	71.1	28.9
Secondary Family	84.6	15.4
Non-family - 1 Person	44.7	55.3
Non-family - 2 Person	65.8	34.2

Source: Statistics Canada (1981) Public Use Sample.

14). This overall pattern, however, masks important historical trends in the considerable variation that exists by age and sex. At least since 1950, the percentage of older people living alone has steadily increased such that by 1985 almost 46 percent of all elderly households were one-person occupied, with elderly renters rather elderly owners more likely to live alone (Table 15).

Only 15 percent of elderly males live alone compared with 41 percent of elderly females (Table 16). Comparing the age 65-74 and 75 plus groups emphasizes the latter group's--both males and females--greater likelihood of both living alone, living in households with a family member other than a spouse and living with an unrelated person (Tables 16 and 17).

In both countries, the increased tendency of older people to live alone has been linked to their overall improved incomes, a greater desire for independent living arrangements, and the greater availability of specialized retirement housing options. The higher percentages of those living alone being female is linked to older women's longer life-expectancy, their tendency to marry men older than themselves, their greater likelihood of being widows and the much greater tendency for older men to remarry after the death of their spouse.

Economic Status

The economic situation of older people strongly influences their ability to afford appropriate housing opportunities and services to help them maintain their independent living arrangements. Housing costs is one of the largest items of elderly consumer expenditures.

Brink (1984a, p. 15) notes that 50 percent of the expenditures of the elderly go towards their shelter costs compared to about 33 percent for the average Canadian family. She shows that shelter costs are more onerous for unattached individuals and particularly onerous for those age 75 and over. For unattached individuals age 65 to 74, 53.4 percent of their total expenditures go towards shelter costs, and this also represents 35.1 percent of total income before taxes. For those aged 75 and over, 65.7 percent of total expenditures go towards shelter costs and this represents 38.8 percent of total income before taxes (Brink 1984a, p. 15).

In the United States, shelter and utility costs represent over 30 percent of the age 65 to 74 group's annual expenditures and over 35 percent of the age 75 plus group. If we add in transportation costs which will closely be linked to housing location the percentage may be higher than 50 percent (Table 18).

However, a complete assessment of the elderly population's

Table 14: U.S. Household Composition of Age 65 Plus Householders, 1985 (percentage distribution)

	Total	Owner	Renter	Mobile Homes
Total Units Occupied (in 000s)	18896	13834	5062	986
Percentage Total	100.0	100.0	100.0	100.0
2-or-more person households	54.3	62.5	31.8	50.2
Married families, no nonrelatives	42.7	50.6	21.1	38.9
Other male householder	3.3	3.4	3.1	4.4
Other female householder	8.3	8.6	7.5	6.9
1-person households	45.7	37.5	68.2	49.8
Male householder	9.5	7.7	14.4	13.3
Female householder	36.2	29.8	53.8	36.5

Source: American Housing Survey. (1985)

Table 15: U.S. Household Composition of Age 65 Plus Persons, 1985 (percentage distribution)

	Total	Owner	Renter	Mobile Homes
Total Occupied Units (in 000s)	18897	13834	5063	986
Percentage Total	100.0	100.0	100.0	100.0
1 person	45.7	37.5	68.2	49.8
2 persons	44.2	50.7	26.4	43.0
3 persons	6.8	7.9	3.6	4.7
4 persons or more	3.3	3.9	1.8	2.5

Source: American Housing Survey. (1985)

Table 16: Living Arrangements of U.S. Elderly People, March 1986 (percentage distribution)

	65+		65-74		75+	
	Males	Females	Males	Females	Males	Females
Total Population (in 000s)	11272	16049	7440	9439	3832	6610
Percentage Total	100.0	100.0	100.0	100.0	100.0	100.0
Living with spouse	75.3	38.3	79.2	49.2	67.9	22.8
Living with other relatives	7.2	18.2	5.7	14.4	10.2	23.8
Living alone	14.9	41.3	12.7	34.6	19.2	51.0
Living with nonrelatives	2.5	2.1	2.4	1.9	2.7	2.4

Note: Percentage distributions may not add to 100.0 due to rounding.

Source: U.S. Senate, Special Committee on Aging (1989) Aging America: Trends and Projection. Washington, D.C.: U.S. Government Printing Office, Serial No. 101-E.

Table 17: Marital Status of U.S. Elderly People, March 1986
(percentage distribution)

	65+		65-74		75+	
	Males	Females	Males	Females	Males	Females
Total Population (in 000s)	11272	16049	7440	9439	3832	6610
Percentage Total	100.0	100.0	100.0	100.0	100.0	100.0
Never married	5.1	5.2	5.2	4.4	5.0	6.3
Married, spouse present	75.3	38.3	79.2	49.2	67.9	22.8
Married, spouse absent	1.9	1.7	1.9	2.1	1.9	1.1
Widowed	13.7	50.5	9.1	38.8	22.5	67.0
Divorced	4.0	4.4	4.6	5.5	2.7	2.7

Note: Percentage distributions may not add to 100.0 due to rounding.

Source: U.S. Senate, Special Committee on Aging (1989) Aging America: Trends and Projections. Washington, D.C.: U.S. Government Printing Office, Serial No. 101-E.

Table 18: U.S. Average Annual Expenditures of Urban Elderly Consumer Units, 1984

	Amounts Expended			Percentage		
	All ages	65-74	75+	All ages	65-74	75+
Annual average expenditures	$21,788	$15,873	$11,196	100.0	100.0	100.0
Shelter/ furnishings	4,948	3,204	2,661	22.7	20.2	23.8
Utilities	1,679	1,644	1,311	7.7	10.4	11.7
Food	3,391	2,831	1,912	15.6	17.8	17.1
Clothing	1,192	715	346	5.5	4.5	3.1
Health Care	899	1,340	1,487	4.1	8.4	13.3
Transportation	4,385	3,041	1,450	20.1	19.2	13.0
Pension and life insurance	2,023	778	229	9.3	4.9	2.0
Entertainment	1,040	604	291	4.8	6.6	2.6

Source: U.S. Senate (1987) *Developments in Aging: 1986*. Washington, D.C.: A Report of the Special Committee on Aging, Vol. 3, Feb 27, 1987.

economic status requires a measure of this group's consumption opportunities which implies not only a documentation of traditional or regular income (e.g., salaries, wages, interest, rent, dividends, and cash transfers such as private pensions and social security), but also the implicit rent (or net imputed return) on equity in a home, regular in-kind payments (e.g., government provided health care, food, and housing benefits), and intermittent transfers (such as gifts from relatives, inheritances, insurance cash settlements). From these sources of income must be subtracted gifts, debt repayments, taxes, and resources set aside for future needs. Furthermore, one study (Radner, 1982) for example, has estimated that unearned income by the elderly may be underreported by amounts ranging from 20 to 50 percent.

For even one country, trying to find data which cover all of these sources of income and the subtractions would be difficult. Finding data which are comparable between the two countries given the differences in tax systems and institutional arrangements for the provision of services makes it an almost impossible task. What follows then are data for each country which shed some light on these issues, but are in no way complete or necessarily comparable on a one to one basis.

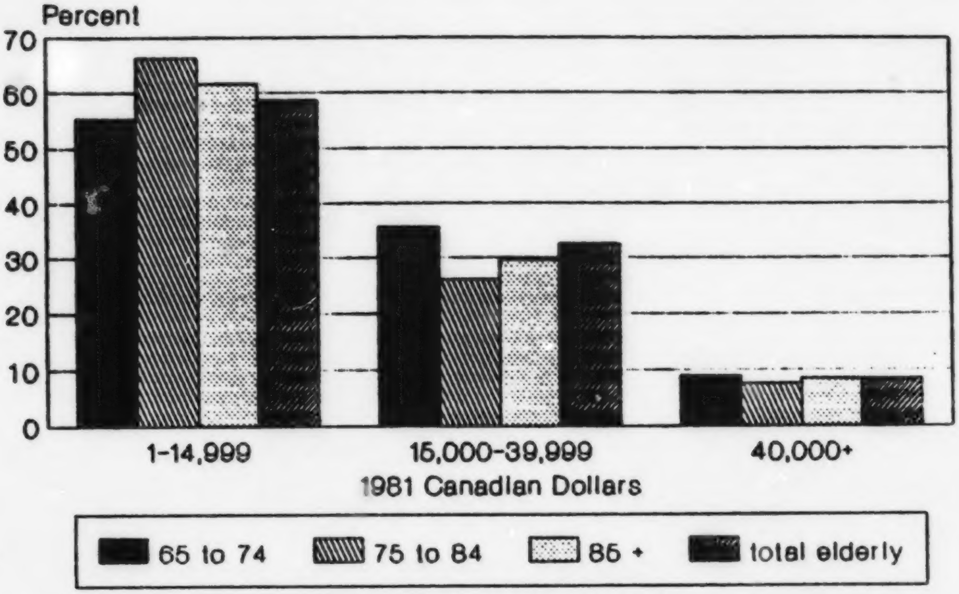
In Canada, the percentage of the elderly who report no household income whatsoever is very small (less than 1.0 percent) because of universal federal transfer payments which automatically are paid upon reaching age 65. There are, however, some substantial differences in the distribution of the percentage of elderly within income categories by age and sex.

Based on reported incomes in 1980, the average income of elderly males was $11500 and the average income of elderly females was $7000. In contrast the average incomes of working age males and females were $20700 and $9800 (Statistics Canada 1984). In a more current study by the Ministry of State for Seniors (1988, p. 14), in 1986, 45 per of families with heads aged 65 had incomes under $20000 compared to 18 per cent of families with heads under 65 and 50 per cent of single individuals aged 65 and over had incomes under $10000.

Defining household income categories of "no" income, "low" income ($1-$14999), "middle" income ($15000-$39,999) and "high" income ($40,000 +), in Figure 8, the percentage of young-old in the low income category is substantially smaller than the percentages for the old-old and very old elderly, and the percentage of young-old in the middle income category is substantially higher than it is for the old-old and very old elderly. The differences in the percentages in the high income category are minor between the age cohorts.

The elderly have three possible sources of wealth: income; government transfers and pensions; and assets. Income as a source

Figure 8: Household Income by Age for Canada's Elderly, 1981



Source: Statistics Canada (1981). Public Use Sample.

of wealth can be subdivided among investment income, wage income and self-employment income (Figure 9). Since growing old is associated with leaving the labour force, more elderly are likely to have investment income than wage or self-employment income. This is, indeed, the case. However, in 1981, almost half the elderly had no investment income or incurred losses on their investments, and almost 40 percent had only between $1 and $5000 in investment income. This leaves only about 12 percent of the elderly with investment income over $5000, and less than 2 percent with investment income over $20000. The absence of income from wages or self-employment is even more stark. In 1981, almost 90 percent of the elderly had no wage income, and almost 97 percent of the elderly had no self-employment income.

In fact, many of the elderly live off government transfer payments. The major federal transfer payments are Old Age Security (OAS) and the Guaranteed Income Supplement (GIS). OAS is supposed to be a universal transfer payment received by anyone who is aged 65 and over. GIS is a means tested payment to help elderly individuals who are particularly needy. As can be seen in Figure 10, about 5 percent of the elderly claimed they received neither OAS nor GIS. About 93 percent of the elderly received up to $6000 and about 2 percent received over $6000. In addition to OAS and GIS, there may be other federal and provincial transfer payments received under special programs. Slightly under 30 percent of the elderly received some financial support from these sources.

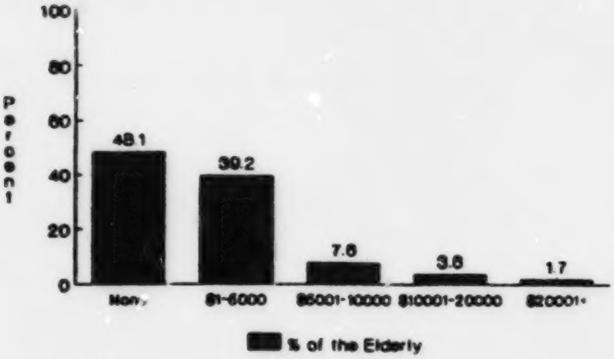
In Canada, there is a public pension scheme as well as private pension plans schemes. Canada Pension Plan (CPP), the public pension scheme, is operated by the federal government except in the Province of Quebec which operates its own scheme, the Quebec Pension Plan (QPP). These schemes operate in much the same manner as private pension schemes where individuals pay into them during their years in the labour force. As a result of the historically lower participation rates of women in the labour force the current female elderly population is much less likely to have access to either public or private pension schemes.

The participation in pensions schemes is illustrated in Figure 10 where almost 71 percent of the elderly claimed they received no financial support throught retirement pensions or from other sources. Slightly over 20 percent indicated that they only received up to $5000 from these sources, leaving only about 9 percent who received more than $5000 from pensions or other financial sources.

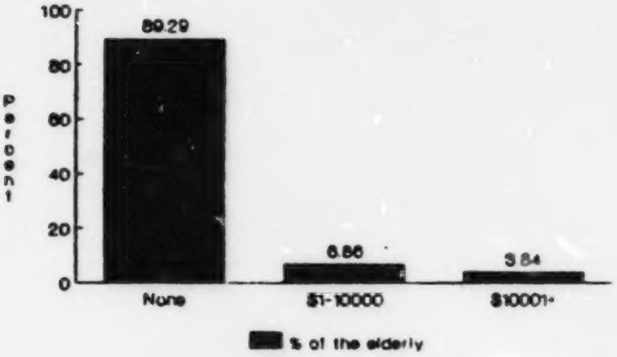
In essence, Figures 9 and 10 paint a picture of many of the elderly population living off of OAS and GIS. This certainly becomes the case as an elderly person ages and it is more likely to be the case for elderly women. The former assertion can be illustrated for the very old elderly where on the one hand, almost 88 percent had no or less than $5000 in investment income, almost 98 percent had no wage income, almost 99 percent had no self-

Figure 9: Sources of Income

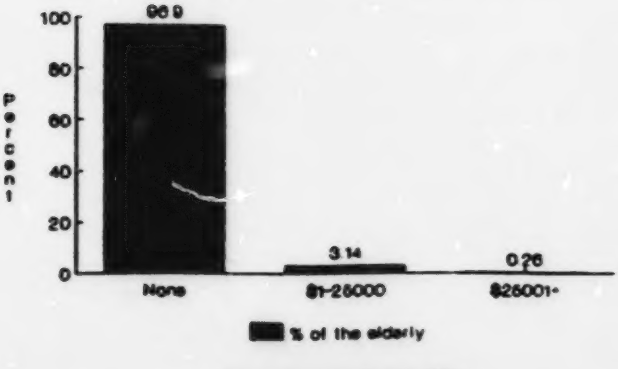
Investment Income



Wage Income



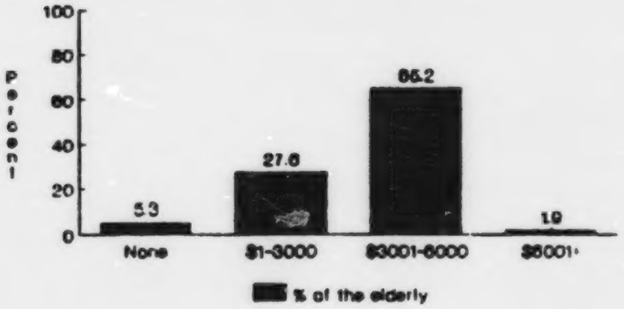
Self Employment-Income



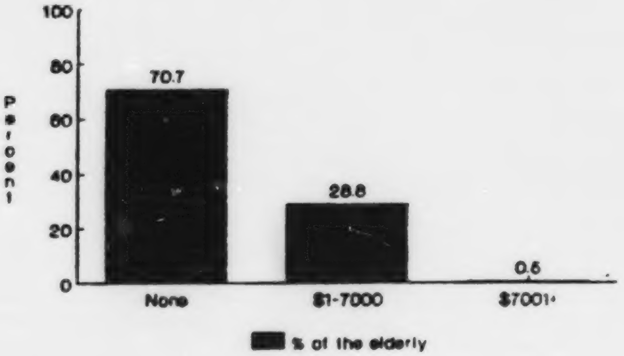
Source: Statistics Canada (1981)
Public Use Sample

Figure 10: Transfer Payments and Pensions

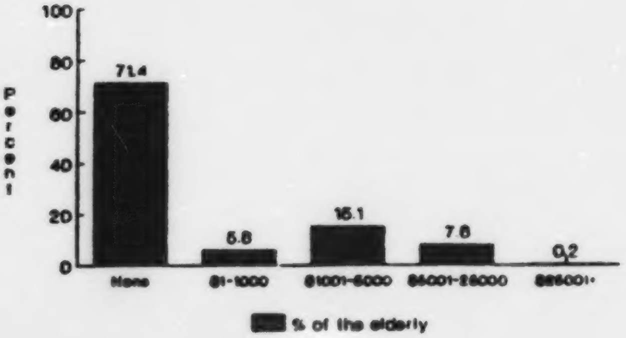
OAS and GIS



Other Government Payments



Pensions and Other Money



Source: Statistics Canada (1981)
Public Use Sample

employment income and about 81 percent had no pension income or income from other sources. On the other hand, almost 97 percent of the very old elderly received OAS and GIS and slightly over 38 percent received other government transfer payments (1981 Public Use Sample).

Although somewhat dated, Brink (1984a) points to what the likely asset situation of the elderly is today (See Table 19). Elderly families have double the assets of elderly individuals and elderly owners are substantially asset richer than elderly renters. Most of the difference in asset wealth between owners and renters can be ascribed to home equity, and home equity represents between 45 and 50 percent of total asset equity except in those columns representing renters.

There are several reasons to believe that today's elderly are substantially better off and that the economic status of the elderly population will continue to improve into the future. First, with the growing participation rates of women in the economy, it means that an increasing number of elderly women will have access to private pension funds in the coming decades. Second, the growth in the number of Canadians investing in registered retirement savings plans (RRSPs) has been significant throughout the 1980s. Third, throughout the 1980s the value of housing has increased substantially in most urbanized areas creating an additional source of wealth for those elderly who purchased housing prior to the property boom.

In the case of the elderly in the United States, focusing first on real incomes (incomes after the effects of inflation have been removed), it is clear that the past two decades have witnessed a major improvement in their economic status. In 1970 the average income of households headed by an elderly person was $13,907 or 54 percent of the average income of all households. In 1987 it was $17,827 or 63 percent of the average household income (in 1983 dollars). After adjusting for both inflation and household size the gains are even more impressive (see Table 20). By 1984 the incomes of the elderly were 84 percent of the incomes of the nonelderly (Hurd, 1989). The result is that the poverty rate of the elderly has fallen sharply and in 1984 was even lower than the nonelderly (Table 21). In 1986 the elderly had a poverty rate of 12.2 percent, which was below the national average. If, however, one adjusts for taxes and in-kind income these poverty rates drop to 5.7 percent. Smeeding (1989,p. 369) shows that the poverty rate of the elderly have been less than those of children since 1974 and less than the overall national rate since 1983. Its poverty rate only exceeded that of nonaged adults by about 1 percent. The improved income status of the elderly reflects several factors but central are the improved Social Security benefits which since 1975 have been indexed to the consumer price index.

Importantly, there is much variation in the income levels of

Table 19: Average Wealth Composition of the Elderly by Tenure, Canada, 1976

Components of Wealth	Unattached Individuals 65+	Owners	Renters	Families 65+	Owners	Renters
Tot Assets	$30780	$53069	$11337	$61340	$75281	$14873
Tot Debt	$350	$716	$26	$1350	$1603	$507
Tot Wealth	$30558	$52352	$11311	$59990	$73678	$14366
Tot Income	$4838	$5220	$4502	$11548	$12193	$9398

Source: Statistics Canada (1977). Survey of Consumer Finances. "Income (1976), Assets and Debts (1977) of Economic Families and Unattached Individuals," as cited in Brink (1984a).

Table 20: U.S. Real Incomes of the Elderly and Nonelderly Adjusted for Household Size

Age	Mean income (1982 dollars) 1967	1979	1984	Change (%) 1967-1984
Less than 65	13,322	16,393	16,825	26
65+	9,134	11,813	14,160	55
65-69	11,095	13,703	16,496	49
70-74	9,127	11,727	14,401	58
75-79	7,640	10,847	12,617	65
80-84	6,927	9,752	11,469	66
85+	6,571	9,064	11,825	80

Source: D.Rader (1987) Social Security Bulletin. 50, 9.

Table 21: Percentage of U.S. Elderly and Nonelderly Persons in Poverty, 1967, 1979, and 1984

Age Group	1967	1979	1984
under 65	11.8	11.1	14.5
65+	28.1	15.1	12.4
65-69	21.9	12.2	9.4
70-74	25.8	13.4	11.5
75-79	33.8	17.9	13.7
80-84	38.2	19.4	17.7
85+	38.9	22.7	18.5

Source: D. Rader (1987) Social Security Bulletin. 50, 9.

Table 22: U.S. Median Income of Older and Younger Families and Unrelated Individuals, 1985

Type of unit and age	Median Income
Families:	
Head 25-64	$30,504
Head 65+	19,117
65-74	20,354
75-84	16,412
85+	15,111
Unrelated individuals:	
25-64	16,064
65+	7,476
65-74	8,160
75-84	7,186
85+	6,400

Source: U.S. Senate, Special Committee on Aging (1989) Aging in America: Trends and Projections. Washington, D.C.: U.S. Government Printing Office, Serial No. 101-E.

the elderly. For example, Table 22 illustrates the differences between the youngest and oldest segments of the elderly population. The oldest have lower real incomes and higher poverty rates. This reflects the latter group's lower life-time earnings, smaller contributions to Social Security (thus their benefits are lower), smaller private or government pensions, and the fact that they will have had to spread their economic resources over more years. Table 23 provides an illustration of those elderly subgroups who are most disadvantaged (at least on the basis of their money income). Older persons not living in families, living alone, female widows, and minority groups are most likely to be below the poverty level.

Income can give a very misleading portrayal of older people's economic status because the majority of the elderly are predictably not wage-earners. A more complete portrayal requires also an estimate of older people's wealth (Table 24). It indicates both absolute and relative sources of wealth (Hurd, 1989) for the total U.S. elderly population and the elderly population in the lowest (wealth) decile. In 1979 dollars the average wealth of elderly households was almost $143,000. The four most important sources of wealth include: housing, financial (stocks, bonds, savings accounts, cash), and Social Security. Focusing just on non-money income (in-kind benefits), the most important sources are housing subsidies, imputed rent and health care benefits. The growth in the value of homes, the rise in stock values, and high real interest rates of the 1980s contributed to the improved wealth of the elderly. The variability among the elderly population is reflected by the wealth of the lowest decile, which averaged just over 34,000 in 1979 dollars. Most of this was due to Social Security, Medicare, and Medicaid, the major U.S. income maintenance public programs for the elderly. Among the elderly, 49 percent had less than $50,000 in wealth in 1983.

Summary

At the beginning of this chapter, it was suggested that sociodemographic indicators can provide a rough measure of the magnitude of a country's housing need both in the present and the future. Our analysis shows that in percentage terms, the elderly populations of the two countries are highly similar. They currently make up roughly the same percentages of their respective national populations as one moves from the young-old to the very old, the elderly are increasingly female, and in the next two decades, the elderly populations will grow significantly particularly among the age 75 and over cohorts. As the baby boomers in both countries reach age 65 sometime around 2021, the size of the elderly populations will surge in the two countries.

What is implied in the changing geographic distribution of the elderly, is that pressures for housing will vary substantially

Table 23: Percent of U.S. Age 65 Plus Population Below the Poverty Level by Selected Characteristics, 1987

Characteristics	Percent
All Persons	12.2
Women	14.9
Non-metropolitan	15.6
All Persons 85+	19.2
Widowed Women	20.0
Living Alone	23.4
Central City	27.1
Hispanics	27.4
Low Education Level	27.6
Social Security Only	29.1
Black	33.9
Black Women Living Alone 72+	64.3

Notes: Unless otherwise noted data are for Age 65 and over Social Security is the only source of income.

Source: U.S. Senate, Special Committee on Aging (1989) Aging America: Trends and Projections. Washington, D.C.: U.S. Government Printing Office, Serial No. 101-E.

Table 24: U.S. Average Wealth (in thousands of 1979 dollars) and Distribution of Wealth of 1979 Retirement History Survey Sample.

	All		Lowest decile	
Wealth category	Wealth	Percent	Wealth	Percent
Housing	26.7	19	1.4	4
Business and property	11.6	8	1.1	3
Financial	22.5	16	0.7	2
Pensions	18.0	13	1.6	5
Welfare and transfers	2.3	2	3.6	10
Medicare and Medicaid	17.7	12	11.9	34
Social Security	44.0	31	14.2	41
Total	142.8	100	34.5	100

Note: Wealth estimates are based on 6,610 observations from the survey; farm families and farm wealth are excluded.

Source: M. Hurd and J.Shoven (1985) in Horizontal Equity, Uncertainty and Economic Well-Being. M. David and T. Smeeding, eds. Chicago: University of Chicago Press, p. 140.

by region and communities within regions. When taken together with the differences in socio-economic profiles which will also characterize the elderly populations in the various regions and communities of the country, responses by government will need to be flexible, and yet need to recognize that varying responses could lead to serious questions concerning inter-regional equity. One difference which does appear betweeen the two countries is that the elderly of Canada remain highly concentrated in the urban core whereas the elderly of the United States are an increasingly suburban population. Although not to the same extent, it is interesting to note the growing preference of the elderly in both countries for retirement locations in environmentally attractive regions. Uncharted in our analysis, however, is the group of Canadians and those living in northern states who spend part of the year in Florida, sunbelt states and California.

When it comes to comparing the marital status of Canada's elderly and the U.S. elderly, again, the similarities far outweigh the differences. The majority of the elderly in both countries are husband-wife households. Single elderly are much more likely to be female, older and renters.

Comparisons on economic status are the most difficult to make. Clearly, each decade since 1950 has seen improvements in the economic status of the elderly in both countries. These improvements are likely to continue throughout the 1990s and into thhe early decades of the next century as more and more elderly women in particular gain access to private and public pensions, and as today's working age and young-old reap the benefits of divestings themselves of houses where values have increased significantly over time. However, in both countries, there remains a significant percentage of the elderly whose only means of income are government transfer payments, who are generally renters or even homeless, who mainly in the urban core, and mainly live alone, who are not benefiting from the improved economic status of the elderly and who will continue to have housing problems.

CHAPTER THREE

HOUSING PROBLEMS OF THE ELDERLY IN CANADA AND THE UNITED STATES

Five major categories of housing problems currently afflict the elderly populations of Canada and the United States:

(1) dwelling structural and maintenance problems contributing to unsafe, uncomfortable, difficult to use, or aesthetically unattractive dwellings;

(2) financial problems related to the burden of maintaining the dwelling with respect to rent, mortgage payments, taxes, maintenance costs, upkeep;

(3) occupancy of a dwelling that is overly large given household size leading to excess costs of maintenance and upkeep;

(4) the neighborhood is unsafe, does not offer those goods and services necessary for the occupant to maintain independent living arrangements, or does not offer adequate transportation to access needed goods and services; and

(5) the dwelling's occupants are unable to maintain independent living arrangements without the assistance of others.

Residential Inertia and an Older Deficient Housing Stock

The elderly populations of Canada and the United States consist predominantly of homeowners, even after the age of 75 (Tables 25 and 26). Older households tend to occupy an older housing stock (Figure 11 and Table 27) a reflection of their residential inertia (Table 28). While their is no simple cause and effect relationship between age of housing stock and structural deficiencies, longtime occupied dwellings tend to have more physical problems (Table 29).

Often the repair of known problems has been deferred because of financial reasons or a sense of lack of urgency--but these problems worsen or when combined with others take on greater magnitude. This translates into technological obsolesence (outmoded electrical, air conditioning, lighting, heating/air systems, inefficient systems), and physical deteioration (things just wear out, or break down--roof, wood siding, lighting, heating/cooling systems, clogged plumbing systems, broken faucets, worn-out sinks, leaking gutters, broken or hard to

Table 25: Age by Housing Tenure for Canada's Elderly, 1981

Age Cohort	Percentage Own	Rent
65 to 74	70.0	30.0
75 to 84	63.7	36.3
85+	64.4	35.6
Total	67.9	32.1

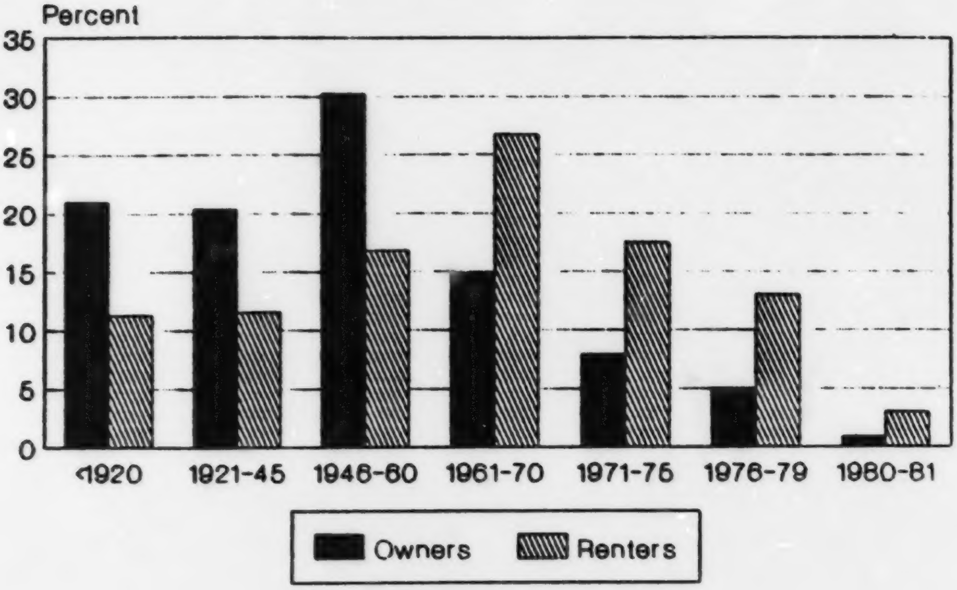
Source: Statistics Canada (1981). Public Use Sample.

Table 26: U.S. Housing Tenure Status of Elderly Persons, 1983

Age Cohort	Percentage Own	Rent
65 to 74	76.9	23.1
75+	71.6	28.4

Source: Demographic and Housing in America Population Bulletin. Vol. 41, No. 1, Jan. 1986.

Figure 11: Age of Residence by Tenure for Canada's Elderly, 1981



Source: Statistics Canada (1981).
Public Use Sample.

Table 27: Year Structure Built of U.S. Elderly Occupied Units, 1985 (percentage distribution)

	Total	Owners	Renters	Mobile Homes
Total Occupied Units (in 000s)	18897	13834	5063	985
Percentage Total	100.0	100.0	100.0	100.0
Earlier than 1939	31.5	32.1	29.7	0.0
1940 to 1949	12.0	13.3	8.5	0.4
1950 to 1959	16.9	19.5	9.9	3.7
1960 to 1969	16.3	16.1	16.8	25.6
1970 to 1974	10.1	8.5	14.4	32.0
1975 to 1979	8.7	6.7	14.0	21.7
1980 to 1985	4.5	3.7	6.7	16.6

Note: Mobile home, oldest category is 1939 or earlier.

Source: American Housing Survey. (1985)

Table 28: Year Age 65 Plus U.S. Householders Moved Into Units, 1985 (percentage distribution)

	Total	Owners	Renters	Mobile Homes
Total Occupied Units (in 000s)	18899	13836	5063	986
Percentage Total	100.0	100.0	100.0	100.0
1949 or earlier	17.6	22.2	5.1	0.0
1950 to 1959	17.0	21.3	5.5	0.9
1960 to 1969	19.0	21.3	12.7	13.2
1970 to 1974	12.4	11.9	13.7	23.7
1975 to 1979	14.9	12.2	22.6	27.9
1980 to 1985	19.0	11.1	40.5	34.3

Note: Mobile home, oldest category is 1939 or earlier

Source: American Housing Survey. (1985)

Table 29: Length of Occupancy and Physical Problems (percentage distribution)

		Physical Problems		Mobile
	Total	Severe	Moderate	Homes
All Occupied Units	100.0	1.7	6.6	5.2
Earlier than 1939	100.0	3.6	10.0	0.0
1940 to 1949	100.0	1.7	10.1	0.2
1950 to 1959	100.0	0.5	4.5	1.1
1960 to 1969	100.0	0.8	5.1	8.2
1970 to 1974	100.0	0.8	2.3	16.5
1975 to 1979	100.0	0.4	3.4	13.1
1980 to 1985	100.0	0.0	2.9	45.7

Note: Mobile home, oldest category is 1939 or earlier.
See Appendix A for definition of physical problems.

Source: American Housing Survey. (1985)

operate windows, etc.). Outdated technology and physical deterioration may result in less comfortable, less safe, or more difficult to use house (in the case of poor design or architectural barriers), or contribute to a less energy-efficient dwelling manifested by excessive heating and cooling costs.

Older dwelling units also are more prone to lose heat because they have less insulation. While evidence exists that older persons are more conservative users of utilities and are energy conscious, they nonetheless are exposed to the rapidly escalating costs of energy and may respond to energy costs by wearing warm clothing indoors in the winter. Hypothermia (reflecting a sharp drop in deep body temperature) is estimated to be the sixth leading cause of death among the U.S. elderly population. A further health problem, hyperthermia--too much heat or humidity also can cause heat stroke or death.

The likelihood of homeowners having to make home maintenance, repairs, and improvements is considerably increased although their repair behaviour may not reflect their needs (Tables 30 and 31). For older people this poses a potentially greater difficulty than for younger people because of a combination of possible factors: their declines in physical ability allowing them to make their own repairs--once easily made when they were younger, the greater likelihood of widows without husbands to make repairs, the general difficulty of finding professional repair people doing competent work, the high costs of repairs, and the possibility of unscrupulous persons charging excessive rates and/or doing incompetent labor (Warner, 1983).

The Extent of Physically Deficient Housing

Although detailed Canadian data on the extent of physically deficient housing occupied by Canada's elderly comparable to what exists in the United States are not available, Table 30 shows that 5.8 percent of the elderly were living in dwellings in need of major repairs in 1981. In the United States, Struyk et al. (1988) found that just over 8 percent of the elderly occupied physically deficient housing in 1983.

In the United States, the assessment of physically deficient housing is often based on criteria (Appendix B) derived for the analysis of the Annual/National Housing Survey (Struyk and Turner, 1984). Although overall, the housing status of the U.S. elderly has improved over the past two decades, using the criteria in Appendix B, a 1983 data analysis by Struyk et al. (1988) found in particular that:

1. Elderly renters are much more likely than elderly homeowners to live in physically deficient dwellings;

Table 30: The Need for Maintenance or Repair by Tenure for Canada's Elderly, 1981

Need for	Percentage of Owners	Percentage of Renters	Percentage of All Elderly
Reg Maintenance	76.9	86.3	79.9
Minor Repairs	16.6	9.2	14.2
Major Repairs	6.5	4.5	5.8

Source: Statistics Canada (1981). Public Use Sample.

Table 31: Routine Maintenance in Last Year By U.S. Elderly Households, 1985 (percentage distribution)

	Owner	Mobile Homes
Total Occupied Units (in 000s)	13835	910
Percentage Total	100.0	100.0
Less than $25 per month	77.9	87.1
$25 to $49	10.4	9.5
$50 to $74	2.6	0.2
$75 to $99	2.8	0.5
$100 to $149	1.2	0.3
$150 to $199	1.0	0.2
$200 or more per month	1.1	0.0
Not reported	3.0	2.1

Source: American Housing Survey. (1985)

2. Elderly homeowners without mortgages are more likely to live in physically deficient dwellings. This reflects the fact that older people with mortgages include many elderly who have actively sought out new homes to fit their retired life-styles better with the result that neither their houses nor their new mortgages are burdens in any sense; and

3. Those elderly sub-populations having the highest incidence of physically deficient housing include: the elderly population of owners and renters who have incomes below the poverty level; elderly blacks; elderly owners and renters living in more rural locations; and the unmarried elderly.

A more detailed breakdown of these "problems" is found in Tables 32, 33 and 34.

The Financial Burden

Even as the financial situation of older people has improved, there still remains a substantial minority of older people who must depend on very low money incomes to pay for their owned or rented housing. While the majority of older homeowners no longer have mortgage payments to make or pay very small sums (over 70 percent of Canada's elderly homeowners paid less than $200 per month in 1981 and about 84 percent of United States' have paid-up mortgages), they nonetheless must confront steadily increasing property taxes, energy and maintenance costs. Increases in the costs of building maintenance and upkeep, and utilities especially in older buildings are passed on to renters in the form of increasingly higher rents except for those select groups occupying rent-control buildings. This latter group while enjoying more constant rents may have to endure dwellings that have more physical deficiencies, due to the lack of economic incentive for their landlords to cure structural problems. The owner's fear of impoverishment and financial dependence may also be considerably less than that of the renter. Elderly homeowners perceive having the option of selling or refinancing their dwellings to realize a major source of equity.

The Extent of Housing as a Financial Burden

Brink (1984b, p. 30) found that 28.7 percent of Canada's elderly owners spent more than 25 percent of their income on shelter expenditures and among renters, 47.1 percent spent more than 25 percent of their incomes on shelter expenditures. Using the concept of core housing need (households unable to afford adequate, uncrowded housing without paying more than 30 percent of gross income), Brink (1984b, p. 31) also found that 24 percent

Table 32: U.S. Incidence of Housing Deficiencies and Excessive Expenditures, of Age 65 Plus Households, 1983 (in percentages)

	Physically deficient housing unit	Excessive expenditures on housing	Physically deficient housing unit and excessive expenditures
Total	8.3	29.6	2.7
Renters	10.6	51.4	5.1
Owners:			
with mortgage	5.8	36.1	2.9
without mortgage	7.7	15.6	1.3
Renters			
Metro	8.3	53.0	3.8
Nonmetro urban	17.5	47.5	9.7
Nonmetro rural	19.7	43.3	8.8
Blacks	28.0	53.3	12.1
Owners with Mortgage			
Metro	3.8	35.1	1.5
Nonmetro urban	8.4	32.4	5.2
Nonmetro rural	13.1	44.7	7.7
Blacks	17.9	51.9	7.5
Owners without Mortgage			
Metro	4.8	16.3	0.7
Nonmetro urban	8.3	13.9	1.2
Nonmetro rural	14.6	15.1	2.8
Blacks	38.8	26.5	8.7

Source: Struyk, R.J., Turner, M.A., and Ueno, M. (1988) Future U.S. Housing Policy. Washington, D.C.: Urban Institute Press

Table 33: Additional Indicators of U.S. Housing Quality of the Age 65 Plus Households, 1985 (percentage distribution)

	Total	Owners	Renters	Mobile Homes
Total Occupied Units (in 000s)	18896	13835	5062	986
Percentage Total	100.0	100.0	100.0	100.0
Total units with the following data	20.7	17.7	28.9	7.8
Signs of rats in last 3 months	4.4	3.9	5.6	3.2
Holes in the floors	1.2	1.0	2.0	0.4
Open cracks or holes (interior)	4.2	3.4	6.6	1.7
Broken plaster or peeling paint (interior)	4.5	3.5	7.3	0.2
No electrical wiring	0.0	0.0	0.0	0.0
Exposed wiring	2.7	2.4	3.6	1.2
Rooms without electric outlets	3.6	3.5	3.9	1.0

Source: American Housing Survey. (1985)

Table 34: U.S. Selected Physical Problems Age 65 Plus Households, 1985 (percentage distribution)

	Total	Owners	Renters	Mobile Homes
Severe Physical Problems				
Total Occupied Units (in 000s)	18896	13835	5062	986
Percentage Total	100.0	100.0	100.0	100.0
Total Severe Physical Problems	1.7	1.1	3.2	0.2
Plumbing	1.2	0.9	2.3	0.2
Heating	0.2	0.1	0.7	0.0
Electric	0.1	0.1	0.1	0.0
Upkeep	0.3	0.2	0.4	0.0
Hallways	0.0	0.0	0.0	0.0
Moderate Physical Problems				
Total Occupied Units (in 000s)	18896	13835	5062	986
Percentage Total	100.0	100.0	100.0	100.0
Total Moderate Physical Problems	6.6	6.0	8.2	2.0
Plumbing	0.3	0.2	0.7	0.5
Heating	3.9	3.9	3.8	1.3
Electric	2.0	1.6	3.3	0.2
Upkeep	0.0	0.0	0.1	0.0
Hallways	0.8	0.6	1.4	0.0

Note: Figures may not add to total because more than one category may apply to a unit.
See the Appendix A for definition of physical problems.

Source: American Housing Survey. (1985)

of renter households with heads aged 65 to 69 and 32 percent of renter households with heads aged 70 and over fall into this category.

Defining excessive housing expenditures for renters as gross rent (contract rent plus utilities paid by tenant) in excess of 30 percent of gross household income and for owners as out-of-pocket expenditures for housing (excluding expenditures for maintenance and improvements) above 40 percent of family income, Struyk et al. (1988) found that about 30 percent of elderly households paid excessive amounts for their housing (Table 32). In particular:

(1) Elderly households most likely to pay excessive housing expenditures are elderly renters, followed by elderly homeowners without mortgages and then by elderly homeowners with mortgages.

(2) Within the above groups, elderly households living below the poverty line are the most likely to pay excessive housing expenditures.

(3) Elderly blacks rather than elderly whites and urban elderly renters rather than the rural elderly renters (a divergent finding) are more likely to pay excessive housing expenditures.

It should, however, be noted that the measurement of income when computing this indicator may not completely or accurately report the influences of household size or asset wealth as discussed earlier in this report. Thus, these percentages may overinflate the percentages of elderly households who are experiencing excessive housing expenditures. On the other hand, the measure of housing distress may be understated. As usually calculated it does not include amounts elderly homeowners spend on dwelling improvements; it does not take into consideration the variable cost of living from place to place, which has implications for the purchasing power of elderly households; for both owners and renters it does not measure the extent to which the elderly household budget is being spent on elderly home care or large medical costs. So too, these statistics do not reveal the extent that some elderly occupants cope with inadequate funds by not using their electricity (heating, lamps, stoves, etc.) to the detriment of their health.

The Occupancy of Excessively Large Dwellings

While older people do not usually suffer from overcrowded living arrangements (Tables 35 and 36), several experts point to the increased probability of older people living in excessively large dwellings given the realities of their current household composition. The departure of grown children and perhaps the

Table 35: Persons per Room by Tenure for Canada's Elderly, 1981

Persons per Room	Percent of Owners	Percent of Renters	Percent of All Elderly
<0.5	84.1	73.7	80.8
0.6 to 1.0	14.7	25.0	18.0
1.1 to 1.5	1.0	0.8	0.9
1.6 to 2.0	0.2	0.4	0.3
2.1>	0.1	0.1	0.1

Source: Statistics Canada (1981). Public Use Sample.

Table 36: Elderly (Age 65 Plus) Persons Per Room, 1985
(percentage distribution)

	Total	Owner	Renter	Mobile Homes
Total Occupied Units (in 000s)	18897	13835	5062	985
Total Percentage	100.0	100.0	100.0	100.0
0.50 or less	91.5	92.8	88.0	90.3
0.51 to 1.00	7.9	6.7	11.4	8.4
1.01 to 1.50	0.4	0.4	0.6	1.3
1.51 or more	0.1	0.1	0.1	0.0

Source: American Housing Survey. (1985)

death of a spouse becomes reflected in their occupying an excessive number of rooms in light of their household size (Tables 37 and 38). Critics argue that such underutilized space has two major consequences for these older occupants: first, they are unnecessarily incurring large housing expenses (e.g., cooling, heating, repairs, property taxes), which then identify them as part of the elderly population paying excessive expenses for their accommodations; and second, they are restricting the housing opportunities of younger families who are seeking older, less expensive homeownership opportunities for their larger families.

Others argue that the problem of underutilization is exaggerated. They argue that there are few guarantees that younger families who would subsequently move into these dwellings would not themselves be characterized as overhoused. Even the costs experienced by these elderly homeowners in the upkeep and maintenance of their dwellings may still be less than the increased costs they might occur owning or renting alternative dwellings. Furthermore, the life style of older people may demand excess rooms to accommodate return visits by children or to accommodate a home office, a hobby room, a place to display belongings, needed storage. The potential also exists to convert the extra space into an in-law suite or accessory apartment as a means to secure companionship, in-home assistance, or an additional source of income. Finally, one must enter into the equation the emotional advantages of living in the "familiar" house, however excessively large it might appear to the outside world.

The Extent of Underutilized Housing

Underutilized dwelling units include those with one extra bedroom for the size of household plus more than two non-sleeping rooms, or two non-sleeping rooms plus more than one extra bedroom. Thus, single-person households with three rooms (e.g., kitchen, living room, dining room) plus two bedrooms or more, couples with three or more rooms plus three bedrooms, and couples with more than three bedrooms are all defined as underutilizing their housing.

We have already shown that in Canada in 1986, almost 23 percent of the elderly population aged 65 to 74 lived alone, and almost 37 percent of the elderly population aged 75 and over lived alone. Of those living alone, many more are women than men. We have also shown that homeownership rates are very high among the elderly and that consumption as measured by density is very low regardless of whether the elderly person is an owner or a renter. These data would appear to support the notion that underutilized housing by the elderly does exist in Canada.

Table 35: Persons per Room by Tenure for Canada's Elderly, 1981

Persons per Room	Percent of Owners	Percent of Renters	Percent of All Elderly
<0.5	84.1	73.7	80.8
0.6 to 1.0	14.7	25.0	18.0
1.1 to 1.5	1.0	0.8	0.9
1.6 to 2.0	0.2	0.4	0.3
2.1>	0.1	0.1	0.1

Source: Statistics Canada (1981). Public Use Sample.

Table 36: Elderly (Age 65 Plus) Persons Per Room, 1985
(percentage distribution)

	Total	Owner	Renter	Mobile Homes
Total Occupied Units (in 000s)	18897	13835	5062	985
Total Percentage	100.0	100.0	100.0	100.0
0.50 or less	91.5	92.8	88.0	90.3
0.51 to 1.00	7.9	6.7	11.4	8.4
1.01 to 1.50	0.4	0.4	0.6	1.3
1.51 or more	0.1	0.1	0.1	0.0

Source: American Housing Survey. (1985)

death of a spouse becomes reflected in their occupying an excessive number of rooms in light of their household size (Tables 37 and 38). Critics argue that such underutilized space has two major consequences for these older occupants: first, they are unnecessarily incurring large housing expenses (e.g., cooling, heating, repairs, property taxes), which then identify them as part of the elderly population paying excessive expenses for their accommodations; and second, they are restricting the housing opportunities of younger families who are seeking older, less expensive homeownership opportunities for their larger families.

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Table 37: Number of Rooms by Tenure for Canada's Elderly, 1981 (percentage distribution)

Number of Rooms	Owners 65-74	Owners 75-84	Owners 85+	All Owners	Renters 65-74	Renters 75-84	Renters 85+	All Renters
1 to 3	2.8	3.9	3.6	3.1	40.9	49.8	54.6	44.6
4 to 8	87.3	86.0	84.5	86.8	57.8	49.2	43.4	54.1
9 +	9.9	10.1	11.9	10.0	1.4	1.0	2.0	1.4

Source: Statistics Canada (1981). Public Use Sample.

Table 38: Size of Units by Rooms Occupied by U.S. Age 65 Plus Households, 1985 (percentage distribution)

	Total	Owner	Renter	Mobile Homes
Total Occupied Units (in 000s)	18895	13835	5060	985
Percentage Total	100.0	100.0	100.0	100.0
1 room	0.8	0.1	2.8	0.0
2 rooms	1.7	0.3	5.3	1.1
3 rooms	12.4	3.3	37.5	11.0
4 rooms	20.3	17.2	28.8	50.6
5 rooms	24.9	28.5	15.2	25.7
6 rooms	20.5	25.6	6.5	8.1
7 or more rooms	19.3	25.1	3.9	3.5

Source: American Housing Survey. (1985)

In the United States, according to one study (Lane and Feins, 1985) over a third of elderly households meet the most stringent criterion of being overhoused--that is, in light of their household size they have at least one extra bedroom and they also more than two extra non-sleeping rooms. Predictably, the most likely elderly in such housing arrangements were widowed, female, and single-person households.

Neighbourhood Problems

For a variety of reasons, including the age of most Canadian cities, the broader social welfare system and the move towards metropolitan and regional governments, urban neighbourhood decline on the scale which has occurred in the U.S. is difficult to find in Canadian cities. This does not, however, mean that Canada's elderly, particularly those living in the central city cores of the largest cities, are not increasingly exposed to, and experiencing many of the negative neighbourhood conditions much more widely documented in the United States.

Table 39 summarizes some of the neighborhood conditions found troublesome to the sample of elderly studied in the American Housing Survey data source. Crime, noise, traffic and physical deterioration are most important and these conditions are often symptomatic of older, declining neighborhoods.

In both countries, one could add to this list the lack of transportation accessibility, especially problematic for older people who have lost their ability to drive and who are living in suburban or rural areas. Another increasingly important problem arises for older people who seek occupancy in shared housing or who want to construct accessory apartments (in-law suite with own entrance as part of single-family dwelling) but who confront zoning barriers because of a municipality's rigid definition of "family" and/or "single-family" dwellings. While neighborhood problems are central to older people's well-being, their analysis will largely be excluded from the discussion below.

Capacity for Independent Living

As the probability of experiencing physical and mental impairments increases with old age, the elderly must confront the prospects of their being unable to live independently in their present dwellings yet still remain safe and secure. The extent to which older people have difficulty living independently may have various consequences. First, they may have to relocate from their present dwellings to alternative more supportive housing options,

Table 39: U.S. Neighborhood Conditions of Age 65 Plus Households, 1985 (in percentages)

	Total	Owner	Renter	Mobile Homes
Total Units Occupied (in 000s)	18896	13385	5062	986
Percentage Total	100.0	100.0	100.0	100.0
With Neighborhood	97.6	97.8	97.0	96.7
No problems	69.1	68.4	71.0	72.0
With problems	28.0	29.0	25.5	24.1
Crime	3.1	2.3	5.2	1.8
Noise	6.8	6.0	8.8	5.8
Traffic	5.2	5.2	5.3	3.5
Litter or housing deterioration	4.4	5.0	2.9	2.5
Poor city or county services	1.2	1.3	0.8	0.9
Undesirable commercial, institutional, industrial	1.6	1.8	1.1	0.4
People	9.7	9.7	9.7	7.7
Other	6.5	7.4	4.0	6.3
Type of problem not reported	0.3	0.3	0.2	0.7
Presence of problems not reported	0.5	0.5	0.5	0.5

Note: Figures may not add to total because more than one category may apply to a unit.

Source: American Housing Survey. (1985)

thereby creating a demand for such units. Both living with a family member and entering an institution are considered "last resort" choices, though the former would be the lesser of two evils (Tables 40 and 41). Second, they may hire in-home help to allow them to remain in their quarters. Their financial expenditures for this assistance may put considerable strain on their household budgets, effectively elevating their real housing costs. Consequently, they may increasingly require sources of financial aid, whether in the form of cash or subsidies. Third, they may seek to modify their dwellings to make it more design-responsive to their disabilities, again incurring a major source of expenses. Fourth, the family of elderly persons (who are homeowners) may seek to convert part of their dwelling to an accessory apartment or in-law suite with the goal of providing accommodations for their parent. Providing living space for their parent will have the obvious effects of increasing their real housing costs. Fifth, the older resident may have to increasingly rely on their spouses and other family members to help them cope with the afflictions of age that threaten their ability to live independently.

Beyond these options are the formal social welfare system and the private sector. In Canada, federal government transfer payments and provincial government social welfare, health and housing programs as well as transfer payments allow the elderly and their families to select various options as the need for increasing levels of support are required. Although it is difficult to determine, it is likely that most of Canada's elderly combine government transfer payments, programs and their own resources to remain in their dwellings as long as possible before moving into an institutional setting. The trend in institutional settings has been towards increasing participation of the private and voluntary sectors in their ownership and operation although financial support for them continues to be largely drawn from direct government payments or indirectly through the individual's transfer payments.

In contrast, the majority of the U.S. older population do not turn to the formal social welfare system or for that matter the private sector for assistance. It is estimated that about three-quarters of the U.S. disabled elderly rely completely on informal care. Formal or paid caregiving is the last resort for the majority elderly. The caregivers, on their part, even as they are distressed about the disruption of their own lives, experience inevitable feelings of guilt and anxiety "about not doing enough" and risk that their role as spouses, sons, daughters, and confidants will be usurped by their perception of being caregivers.

In addition, the problem of older people suffering from physical and mental ailments that threaten their ability to live independently is increasingly being confronted by the operators

Table 40: Percent of Canadian Elderly Persons in Institutions, 1986

Age Groups	Total	Males	Females
65+	6.7	4.6	8.2
65 to 74	1.8	1.7	1.9
75+	14.4	10.1	17.0

Sources: Statistics Canada (1986) Census of Canada. Urban and Rural Areas, Canada, Provinces & Territories, Part I (94-129). Ottawa: Ministry of Supply and Services.

Statistics Canada (1986) Census of Canada. Dwellings and Households. Part I (93-104). Ottawa: Ministry of Supply and Services.

Table 41: Percent of U.S. Elderly Persons in Nursing Homes, 1985

Age Group	Total	Males	Females
65+	4.6	2.9	5.8
65-74	1.3	1.1	1.4
75-84	5.8	4.3	6.6
85+	22.0	14.6	25.0

Source: Utilization of Health Resources. p. 123

of low-rent public housing in the United States (Holshouser, 1988). Whereas these projects were originally occupied by nonelderly tenants in the instance of family housing or by the "young-old" elderly in the instance of senior-citizen housing, many of these facilities have now become the homes of the old-old (i.e., over the age of 75). Opting not to move, their residents have literally aged-in-place. The result is an increased need by these tenants of medical and social services that were not originally envisioned in these housing projects. While there is little disagreement that their elderly occupants require a more supportive living situation, at issue is to what extent the "low-rent housing facility" should be transformed in order to achieve this people-environment match or congruence. Alternatively, should "congruence" be achieved by requiring that these more "dependent" elderly move elsewhere?

The importance of the relationship between disability and continued independent living for the elderly has led both countries to collect data through national surveys. National estimates of older people's physical and mental disabilities focus on the extent to which older people living in the community (outside of institutions) are limited in their ability to perform the everyday activities of life.

In the United States, the 1984 Supplement on Aging in the National Health Interview Survey asked older people if because of a health or physical problem they have difficulty performing 7 different "activities of daily living" or ADLs and 6 different "instrumental activities of daily living" or IADLs. The ADLs involved personal care behavior: bathing, dressing, eating, getting in and out of bed and chairs (referred to as transferring), walking, getting outside, and using the toilet. The IADLs involved home management behaviors: preparing meals, shopping for personal items, managing money, using the telephone, doing heavy housework, and doing light housework.

Dependencies in IADLs are considered less serious than dependencies in ADLs. As the number of either ADLs or IADLs increase, a person is considered more dependent. A person who has difficulty performing five or six ADLs or IADLs is considered to be very dependent. Because older people are asked about their impairments there is a danger of both over- and under-statements of their conditions. There will be at least one group of elderly who will not admit to their problems for reasons ranging from pride to fear of disclosure. On the other hand, there will be another group, probably smaller--who will embellish the extent of their impairments.

Tables 42 to 45 summarize one set of national estimates of these activity limitations. The proportion of elderly persons experiencing difficulty with these activities increases sharply with age, especially after age 85. For all age groups the most

Table 42: Number of U.S. Elderly's Personal Care Activities that Are Difficult, 1984 (percentage distribution)

		Number of personal care activities				
Age Group	Total	None	1	2	3	4-7
65+	100.0	77.3	9.2	4.7	2.8	5.9
65-74	100.0	82.9	7.8	3.7	1.9	3.7
75-84	100.0	72.2	11.2	5.4	3.7	7.4
85+	100.0	51.2	12.8	10.2	6.7	19.2

Source: U.S. Senate, Special Committee on Aging (1989) Aging America: Trends and Projections. Washington, D.C.: U.S. Government Printing Office, Serial No. 101-E

Table 43: Percent of U.S. Elderly Who Have Difficulty Performing Selected Personal Care Activities, 1984

Age Group	Bathing	Dressing	Eating	Transferring	Walking	Getting outside	Using toilet
65+	9.8	6.2	1.8	8.0	18.7	9.6	4.3
65-74	6.4	4.3	1.2	6.1	14.2	5.6	2.6
75-84	12.3	7.6	2.5	9.2	22.9	12.3	5.4
85+	27.9	16.6	4.4	19.3	39.9	31.3	14.1

Source: National Center for Health Statistics (1987) Advance Data from Vital and Health Statistics. 133, June 10, 1987

Table 44: Number of U.S. Elderly's Home Management Activities that are Difficult, 1984 (percentage distribution)

Age Group	Total	None	Number of home management activities that are difficult 1	2	3	4-6
65+	100.0	73.1	14.3	4.3	2.4	6.0
65-74	100.0	79.5	13.0	2.9	1.5	3.2
75-84	100.0	67.0	16.6	5.8	3.2	7.5
85+	100.0	44.8	15.2	9.3	6.6	24.2

Source: U.S. Senate, Special Committee on Aging (1989) Aging America: Trends and Projections. Washington, D.C.: U.S. Government Printing Office, Serial No. 101-E.

Table 45: Percentage U.S. Elderly Who Have Difficulty Performing Selected Home Management Activities, 1984 (percentage distribution)

Group	House Management Activity Preparing Meals	Shopping	Managing Money	Using Telephone	Doing Heavy Housework	Doing Light Housework
65+	7.1	11.3	5.1	4.8	23.8	7.1
65-74	4.0	6.4	2.2	2.7	18.6	4.3
75-84	8.8	15.0	6.3	6.0	28.7	8.9
85+	26.1	37.0	24.0	17.5	47.8	23.6

Source: National Center for Health Statistics (1987) Advance Data from Vital and Health Statistics. 133, June 10, 1987 difficult to perform personal care activities are walking, getting outside, transferring, and bathing; and the most difficult to perform home management activities are doing housework, shopping, and preparing meals (Dawson, Hendershot, and Fulton, 1987).

In Canada, similar information is only now becoming available through the General Social Survey and particularly the Health and Activity Limitation Survey. In preliminary analyses of these data sources, Stone (1988) and Moore et al. (1989) have documented the importance of family and friends in allowing the elderly to maintain independent lifestyles and found the same type of trends for elderly between the increasing proportion who experience difficulties with activities and age.

Another indicator of dependence is the number of days in a year older people are confined to their bed. Data from the United States, show that about 15 percent of the aged 65-74 spend at 14 days or more in bed, while 19 percent of the aged 75-84 and 24 percent of the aged 85 and older are so confined (Table 46).

Summary

At the beginning of this chapter, five general problem areas were identified: dwelling structural and maintenance problems; financial problems; underutilization of housing; unsafe neighbourhoods and the lack of services; and the inability to maintain an independent lifestyle.

In both countries, most of the elderly are homeowners living in older housing. There are problems of repair and poor heating and air conditioning. In the United States, renters are more likely to live in physically deficient housing followed by elderly homeowners without mortgages. Although equivalent Canadian data were not available to the authors of this report, we do show that the percent of elderly Canadians living in housing in need of major repairs is roughly equivalent to the percent of U.S. elderly living in physically deficient housing. In addition, the poorest elderly have the highest incidence of living in deficient housing followed by elderly blacks, the rural elderly and unmarried elderly in the United States. With the exception of the finding on elderly blacks, it is likely that the same trends would hold for Canada.

In both countries, the majority of elderly homeowners have small or no mortgages to pay. They do, however, face the increasing costs of maintenance, property taxes and utilities. Where elderly renters do not live under rent controls, the major issue is rent increases. Where rent controls do exist, the elderly may face the cost of the physical detioration of their

Table 46: U.S. Percent distribution of the Community Elderly with Bed Days in a Year, 1984

Bed days in year	65+	Age Group 65-74	75-84	85+
0	62.2	63.5	61.3	55.8
1-6	13.8	14.5	12.9	12.1
7-13	7.1	6.7	7.4	8.7
14-27	6.6	6.5	7.0	6.3
28-365	8.9	7.8	9.9	13.9
Always	1.4	1.0	1.6	3.4

Source: National Center for Health Statistics (1986) Advance Data from Vital and Health Statistics. 115, May 1, 1986 buildings as landlords forgo maintenance. Using different methodologies, it is estimated that about a third of the elderly in each country are paying excessive amounts for their housing.

In both countries, a *prima facie* case can be made for the significant underutilization of housing by the elderly. The importance of this finding, however, is open to considerable debate as to whether the elderly and society benefit or suffer from this apparent underutilization.

Although it would be foolhardy to assume neighbourhood problems which affect the housing conditions of the elderly in Canada do not exist, the scale of these problems are much more obvious in the United States. In particular, crime, noise, traffic and physical detioration are serious problems for the U.S. elderly. In both countries, however, vulnerability to attack on public transit in urban areas, the lack of public transit in suburban and rural areas, and zoning barriers to shared housing confront the elderly as neighbourhood problems.

Finally, in both countries, increasing attention is being directed towards the connection between the capacity for independent living and housing for the elderly. The level of institutional living among the elderly in both countries appears to be about the same and represents only a very small percentage of the elderly. Most of the elderly try to maintain an independent lifestyle as long as possible imposing costs on themselves, their family and friends and ultimately, society as a whole. There does, however, appear to be clear differences in the role that the social welfare system and private practice play in the two countries.

In Canada, the greater development of the social welfare system and its acceptance by most people means that the elderly are likely to use some combination of their own resources and payments and services provided by the state to maintain an independent lifestyle as long as possible. In the United States, one estimate reported in this chapter suggests that about three fourths of the elderly maintain themselves using their own resources and informal care from family and friends. Using national surveys of health and lifestyle, significant percentages of the elderly are suffering from disabilities which impair their ability to perform everyday tasks. The level of disability and impairment increases with age. With the growing size of the elderly population in both countries and the fact that an increasing proportion of the elderly will be very old in the coming decades, the links between disability and housing will take on an even greater importance.

CHAPTER FOUR

POLICY RESPONSES IN CANADA AND THE UNITED STATES

The housing problems of the Canadian and U.S. elderly have been addressed by two major categories of responses:

1. Making available new and existing housing (rental, cooperative and non-profit) that meets acceptable standards of quality and is affordable by lower income elderly persons.

2. Establishing social programs and benefits designed to delay institutionalization and assure the continued aging-in-place of elderly persons who are physically and mentally impaired to some extent.

Making Available New and Existing Housing in the United States

The Federal Role

Among all levels of government, the U.S. federal government has assumed the greatest responsibility for addressing housing deficiencies related to the affordability and quality of older people's housing. It has achieved this distinction through four basic mechanisms:

(1) It provides financial housing assistance to sponsors in the private, public, and nonprofit sectors whereupon direct loans, lower than market interest rates, and development and operating costs are variously provided to public authorities, private developers and nonprofit sponsors who construct or rehabilitate rental housing units designed for low-income elderly. To these ends, the most important U.S. programs have included: Public Housing, Section 202, Section 8 New Construction, Section 236, and Section 515.

(2) It provides mortgage insurance, which by reducing the risk of sponsor default and making loans more marketable (and thus relieving lenders of potential liquidity problems) to secondary mortgage markets (e.g., Government National Mortgage Association and Federal National Mortgage Association), encourages private lenders to provide construction and operating loans often at lower than prevailing interest rates. Mortgage insurance is now also available for the construction of congregate housing facilities, board and care facilities, and "life care" centers. The most

important programs include Section 231 and Section 221 (d).

(3) It establishes rental assistance programs whereby eligible lower-income older people are directly given financial assistance (in the form of certificates or vouchers) to afford rental units they select from the private housing sector. The most important programs include the Section 8, Existing Housing.

(4) It provides through various financial grant programs direct funding for projects (irrespective of age of occupants) developed by states, counties, and cities that propose to repair, renovate, modify, convert, and rehabilitate, residential dwellings (both rental and owned) for independent housing and congregate projects. The most important programs include The Community Development Block Grant Entitlement Program, the Urban Development Action Grant Program, the Rental Rehabilitation Program, and the Section 312 Rehabilitation Program.[1]

The State Role

State governments have increased their roles in providing for the housing needs of their elderly populations. A recent study of the elderly-related programs in nine states demonstrates the range of programs and benefits now provided by U.S. state governments. The housing finance agencies in most states have offered industrial development bonds or municipal bonds--offering tax-free interest--as a means of financing a variety of different programs. Funding has also occurred through direct appropriations from state treasuries often supplemented with Federal funding sources (Medicaid, Social Services Block Grant, Older American's Act, Federal Housing Administration insured mortgage programs, and Section 8 rent subsidy funds). The use of tax-exempt bond financing for multi-family housing has become more difficult since the passage of the 1986 Tax Reform Act. Limits were placed on the amount of tax-exempt bonds that could be sold. Furthermore, projects have to be occupied by a higher percentage of low-income families, which can impose prohibitive revenue restraints on sponsors.

The programs funded by states have included the following: congregate housing, house-matching services, financial assistance in the development of accessory apartments (essentially self-contained in-law suites), reverse annuity/home equity conversion mortgages (whereby the older person is able to loan money in an amount based on the equity in his or her house), and the financing of conventional apartment units, and a variety of miscellaneous programs such as home repair subsidies and property tax referral. A list of the programs and their details are provided in Struyk et al. (1988). With the possible exception of the programs developed in Massachusetts, these programs have, however, produced a relatively small number of dwelling units. Thus while states have been active and often very innovative in developing alternative programs for its older population, the actual impact of their efforts have been small compared with past federal efforts.

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[1] A summary of those past and present federal programs having the greatest impact on the availability of housing for the elderly can be found in Appendix C.

Making Available New and Existing Housing in Canada

In Canada, the federal and provincial governments have been partners to a large extent in creating new housing and rehabilitating housing for the elderly and especially, the poor elderly. The partnership has often been unequal with one side or the other playing the major role. Banting (1989) makes the point that the roles of the federal and provincial governments are continually changing with respect to each other and their importance in the provision of housing. The changes which have taken place over time are characterized by how much they contribute to either centralization or decentralization of policy making and unilateralism or provincial-federal cooperation on policy.

The Federal Role

The Canadian government has tended to use similar mechanisms as those used in the United States (i.e., direct loans, mortgage insurance, and rental assistance) in three programmatic areas.

(1) It provides mortgage insurance to build co-operative and non-profit housing and subsidizes the difference between the operating costs and rents geared to low income tenants'ability to pay. It also makes loans available to provide planning and technical assistance to help groups develop plans for co-operative and non-profit housing. The most important programs include the 1973 Start-Up Program, the 1974 Community Resources Organization Program (CROP) the 1978 Co-operative Housing Program (Section 56.1), the 1979 Non-Profit Housing Program (Section 56.1) and the Rural and Native Housing Program (Section 40).

(2) It provides rental assistance programs, but unlike the U.S. programs these are cost-shared with the provincial governments on capital costs and operating losses on public housing where tenants pay rents between 16 and 25 percent of their income. Rent supplements, cost-shared with the provincial governments, are also provided where units are rented by provincial housing corporations,

sub-leased to low income tenants including the elderly at below break-even levels. The rent supplements are paid directly to the provincial housing corporations to cover the difference between their operating costs and the rents. The most important programs include Public Housing (Section 40 (1950); 43, 44 (1964)) and Rent Supplements (Section 44.1a) Social Housing.

(3) Loans with a forgivable portion are made available to owners of housing willing to make their dwellings accessible to one or more disabled persons. The most important program for this is the 1974 Residential Rehabilitation Assistance Program (RRAP), Section 34.1.[2]

The Provincial Role

Every province and territory provides at least one program for making new and existing housing available to the elderly. Some provinces only provide programs where cost-sharing with the federal government is available and almost all of these programs are geared to renters as opposed to helping the elderly to become owners.

Among the programs provided are grants to build or buy a new home, subsidized rental assistance, rental supplements, direct cash contributions towards rent, housing in provincial and non-profit corporations on a rent-geared-to income basis, rent supplements to encourage integrated housing for low income disabled, special care grants for capital costs to non-profit groups sponsoring special care homes for seniors and disabled, grants to tenants and renters to adapt dwellings for a wheel-chair, senior citizen housing registries and renters assistance for owners of mobile homes. The programs and their details can be found in Brink (1984c).

Aging-in-Place Policies

From the perspective of older people maintaining independent living arrangements is closely linked to the achievement of such psychological states as autonomy, mastery, and the perception of being in control.

The family of older people usually share these sentiments. Family caregiving has increased even as it constitutes a highly costly activity--financially, timewise, and emotionally. Thus both older people and their families usually view the nursing home or comparable skilled nursing facility as "a last resort" response to chronic illness and disability. The nursing home is viewed as a medically-oriented setting in which residents surrender both their autonomy and self-dignity. Family members allowing an elderly member to succumb to institutionalization will additionally feel a great sense of guilt at having allowed this undesirable alternative.

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[2] Details of these programs can be found in Brink (1984c).

Those charged with charting this public policy or managing its low-rent housing programs similarly define the loss of independence as a serious problem. A disabled elderly population requires responses that inevitably translate into greater financial expenditures and increased case management demands. With the exception of those who own or operate nursing homes, the nursing home is also identified as an undesirable alternative, although for quite different reasons than identified above. Federal and state/provincial governments must entertain the prospects that the beds occupied by a substantial proportion of the institutionalized elderly will eventually have to be subsidized by public funds because the initial low incomes of elderly nursing home residents or because private-pay residents eventually exhaust their financial resources. Consequently, institutionalization is viewed as a very expensive--if not the most expensive--long-term care alternative.

Thus although their motives may be different, a great many groups in Canada and the United States--from private individuals to bureaucrats and executives in both the private and public sectors--have reason to define the loss of independent living arrangements by the elderly as a problem.

Policy in the United States

The Federal Role

Various federally funded programs are directed toward helping older persons remain as long as possible in their current dwellings. These services variously encompass home nursing care, in-home personal care, congregate and in-home dining facilities, respite care, homemaker/chore services, transportation, physical, occupational, speech therapy, counselling, and adult day care. These are variously administered and coordinated at the state and local levels. The most important of these include Social Services Block Grants, the Older American Act, Medicaid, and the Congregate Housing Services Program (Struyk et al., 1989).

Social Services Block Grants (SSBG)

These are administered by the Department of Health and Human Services (formerly Title XX of the Social Security Act) to fund a wide array of social services (medical care can be covered if it is integral but subordinate to the provision of social services). Allocations are based on the size of the state's population. The elderly population is but one of various population groups that receive benefits from this program. In contrast to earlier Title XX program, states are no longer required to provide a minimum level of services to low-income persons. Advocates for the elderly have contended that older people have not been receiving a sufficient amount of funds from this program.

A survey performed by the American Association of Retired Persons shed light on these issues. On average states allocated about 18 percent of their SSBG funds to their elderly populations. Funds are allocated through states' department of social and human services and when applied to elderly needs typically fund homebased, adult protective (homemaker, companionship, and home maintenance services), adult day care, transportation, and nutrition services. States reported that they focused their elderly services on very-low-income persons who required these supports to maintain their independence in the community.

The Older American Act

The mission of this program is to provide an array of social and community services designed to maintain the independence of older people (age 60 and older) in their own residences. Services are provided to older persons irrespective of their incomes, but attempts are made to serve those with the greatest needs. Funds are allocated to state agencies on aging largely based on the size of the state's age 60 and older population. Its Title III budget authority funds such services as congregate and home-delivered meals, senior centers (offering an array of social, recreational, and supportive services), and nonmedical in-home services for the frail elderly. Up to now the bulk of these Title III funds are allocated to senior centers and nutrition services.

Medicaid

The federal Medicaid program, which helps low-income people pay for needed medical care offers states various options by which states can fund certain community-based services that would serve as substitutes to institutional-based services. Under each, the Health Care Financing Administration (HCFA) is required to match state funding at a rate based on a state's per capita income. Under the 2176 waiver plan, states must demonstrate that spending on these services will lead to commensurate savings to Medicaid on nursing home expenditures. Among the services commonly paid for by these waivers include case management, adult day care, homemaker, and personal care services. Under the Medicaid state plan (Title XIX, Section 190)--Personal Care Services Program, persons are reimbursed to provide medically oriented (prescribed by a physician to meet a medical need) personal care services (meal preparation, shopping, and dressing) to Medicaid recipients who are living at home but at risk of institutionalization.

Congregate Housing Services Program

CHSP was initially established as a demonstration program and funded under Title IV of the Housing and Community Development Act of 1978 (or the Congregate Housing Services Act of 1978). It was then authorized as a permanent program by the Housing and Community Development Act of 1987. The program was targeted to the frail elderly (62 years of age and older) and nonelderly handicapped in HUD financed public housing projects built and managed by local public housing authorities and in Section 202 sponsored housing. In 1988 some 60 projects (32 public housing and 28 Section 202) in 33 states served about 2000 people. 45 sites are in urban areas and 15 are in rural areas; 51 sites are occupied by older people.

The program was specifically designed to prevent premature institutionalization by offering a range of non-medical services and initial HUD guidelines called for about 20 percent of the building residents to be at risk of institutionalization. To assess admission standards and to perform ongoing case management, there is a hired service coordinator and a volunteer Professional Assessment Committee. Initial stages of the program had varying success at targeting services to the most vulnerable; in subsequent years eligibility requirements have been made more stringent. For example, the indicator of vulnerability or risk of institutionalization was changed from needing assistance in one ADL to lacking an inadequate informal support network and needing assistance in three ADLS or IADLs, one of which must be in eating or preparing food.

Most projects offered housekeeping and chore services and initially had mandatory 2 meals a day in a central dining room facility that was later reduced to 1 meal a day due to participant complaints. (In most projects extra meals could be purchased.) The effects of the program on service availability in the projects funded were to increase the availability of mandatory meal service, housekeeper/chore and personal services, onsite social services and transportation services in the funded projects.

All buildings are specially designed to include supportive architectural features (e.g., grab bars, emergency alarm provisions, level door handles, lowered kitchen cabinets). Less than half offered personal care, shopping assistance or transportation services. Participants were expected to pay some part of the costs of meals and services; currently a sliding fee scale (based on participant's income) requires a minimum of 10 percent of participant's monthly income as a copayment.

Initial results suggest that the program was generally successful in identifying and serving residents in need of assistance, but less successful in screening out those who did not.

It helped improve the morale and life satisfaction and did help reduce rates of short-term institutionalization but apparently did not influence rates of permanent institutionalization. However, with better targeting of the most frail residents the possibility that these latter rates will also be influenced.

Policy in Canada

The Federal Role

Federal aging-in-place policies are of three types: those that directly affect elderly Canadians, those that indirectly affect elderly Canadians and those that are targeted to groups who are the mandated responsibility of the federal government. Certain aspects of the Residential Rehabilitation Assistance Program (RRAP), the Emergency Repair Program, the Canadian Oil Substitution Program and the Canadian Home Insulation Program are examples of those which directly affect elderly Canadians. The Medical Care Act, the Canada Health Act and the Canada Assistance Plan are examples of federal initiatives which indirectly affect the ability of the elderly to age-in-place. The Rural and Native Housing Program and the Aging Veterans Program are examples of the third type.

Direct Programs

Under a part of Section 34.1 of RRAP, the federal government makes direct loans to low income homeowners including the elderly to improve their homes. The Emergency Repair Program is for rural Canadians only and its purpose is to provide grants for the improvement of occupied dwellings. The Canadian Oil Substitution Program (COSP) and the Canadian Home Insulation Program (CHIP) provided grants to convert from oil heating to a cheaper energy source and to improve home insulation respectively.

Indirect Programs

In a review on housing, one would normally not include the Medical Care Act of 1968 and the 1984 Canada Health Act. These acts define the agreements under which the federal and provincial governments undertake to share the costs of universal health care for all Canadians throughout their lives. This stands in stark contrast to Medicaid in the United States for low-income people only. In this respect, health care in Canada plays a role in affecting housing status in two ways. First, in theory, long-term or catastrophic illness does not have the direct financial impact on the elderly, it does in the United States. Second, through provincial health care insurance, many in-home nursing and rehabilitation services are covered allowing the elderly to avoid institutionalization.

In addition to the Medical Care and Canada Health Acts, under the Canada Assistance Plan, another federal-provincial cost-sharing program, the federal government contributes part of the cost of provincial programs to provide services to the elderly including day care and home services.

Targeted Programs

As part of the Rural and Native Housing Program, the Rural Residential Rehabilitation Assistance Program is targetted at persons living in communities of less than 2500 people and on people living on Indian Reserves. Its purpose is to provide loans to improve their houses. Under the Aging Veterans Program, elderly veterans who meet certain requirements receive financial help for home and community care.

The Provincial Role

If anything, the provincial governments are much more proactive in the realms of aging-in-place policies than they are in policies which lead to more affordable housing for the elderly. Programs used by individual provinces include school tax exemptions, home repairs and improvement programs, summer student labour to help seniors with home maintenance, grants to make homes accessible to the disabled, property tax rebates, reductions or deferrals, telephone crisis intervention, handy person services, housekeeping, snow removal, meals on wheels, wheels to meals, respite care, information and referral services, home nursing, energy conversion and conservation programs, rehabilitation services, in-home chronic care, friendly care, postal alert, adult day care, income tax credits or rebates, transportation services and utilities grants. The names and details of specific provincial aging-in-place programs can be found in Brink (1984c).

Trends and Issues

The United States Case

As of 1988 there were about 1.8 million elderly families (including persons living alone) receiving a direct or indirect housing subsidy from the U.S. federal government. This does not include older people living in nursing homes, intermediate care facilities, or board and care facilities whose projects are insured by the federal government or they are receiving supplemental incomes. Nor does this total include elderly housing units that benefited from substantial rehabilitation but whose occupants did not subsequently receive any rent subsidy. Consequently, a minimum of over 9 percent of the U.S. elderly households (excluding the institutionalized) are receiving some form of federal housing subsidy. Since the beginning of the 1980s (corresponding with the Reagan presidential administration), several important trends have, however, developed in the federal response to elderly housing needs which are having a negative impact on the supply of housing available to the elderly.

There has been declining federal involvement in the creation of new subsidized elderly housing units. Consequently, by most estimates the need for such units is greatly exceeded by the available supply. Evidence for this contention emerges not only from estimates of older people requiring subsidized housing but from an analysis of vacancy rates and waiting lists of Section 202 housing. A recent study indicated that vacancy rates averaged 1.4 percent and only 8.2 percent of facilities nationwide had no waiting list.

The gap between demand and supply is further threatened by at least two other trends. First, many of the existing long-term mortgage subsidy agreements allowing developers to prepay their mortgages after a specified period of time are about to expire. Their owners will convert them to market-rent apartments or sell them as condominiums. As a result of the effects of the 1986 Tax Reform Act, it is expected that other housing sponsors will default on their mortgages allowing their properties to revert to the federal government for disposition. Another major threat to the already inadequate supply is the imminent expiration of a large number of Section 8 subsidy contracts.

With the exception of the Section 202 program, federally assisted new housing construction has been almost completely replaced by a reliance on the existing housing stock. Thus, the emphasis is on directly subsidizing low income elderly persons via Section 8 Certificates and a newly emerging and closely related voucher program. Critics have argued that a reliance on existing housing would drive up rents in communities with a shortage of rental units, would lead to poorer quality controls, would put too much reliance on older people themselves to search for their own units, and would reduce the potential of providing congregate facilities (food, recreation, personal services) and benefiting from economies of scale associated with elderly residential concentrations (See Golant, 1985 for a defence of age-segregated housing).

Older people eligible for subsidized housing units since 1981 are required to have lower incomes than in the past. Specifically their incomes (adjusted for household size) now must represent 50 percent or less of the local area median income rather than the earlier 80 percent. Eligible elderly residents must now pay 30 percent rather than 25 percent of their incomes on rent.

The Federal government has initiated various cost-containment measures on the existing elderly housing construction program, Section 202. Critics argue that this resulted in more shoddy construction practices, smaller and less attractive units, fewer special design features, and smaller amount of physical space to accommodate congregate activities.

The Federal government's response to older homeowners remains relatively small. Despite a new demonstration project funding reverse annuity mortgages (see below), no federal ownership program focuses specifically on the elderly. Currently, elderly persons have to compete with other age groups for limited funding.

More positively, the Federal government has assumed a new role in its recent funding support of a demonstration project that will provide insurance for about 2,500 reverse mortgages, instruments whereby older people will receive monthly payments reflecting the amount of equity in their home, current interest rates and the length of the loan. Under the Home Equity Conversion Insurance Demonstration Program authorized by the Housing and Community Development Act of 1987, the Federal National Mortgage Association (Fannie May) and the Federal Home Loan Mortgage Corporation (Freddie Mac) will insure these loans thus removing the risk of default and excessive liability on the part of lenders.

The major U.S. agency involved in the provision of subsidized housing alternatives for the elderly is the Department of Housing and Urban Development. With few exceptions (most recently, the Congregate Housing Services Program), programs of this agency were of the "bricks and mortar" variety, typically providing physically, shelter at affordable prices. In contrast, federal agencies, such as Health and Human Services and the Social Security Administration have traditionally been responsible for services and benefits that provide an array of home medical, personal care, and congregate services. Thus those Section 202 projects financed by Department of Housing and Urban Development (HUD) had to go outside this agency to find funding to support any congregate dining or personal support services that they provided (Title III of Older Americans Act for financing meals). In turn, funding for such supportive aging-in-place services are not linked in any systematic way with HUD programs. As Pynoos (1990, p. 168) argues, "Little attention has been paid to the role housing can play in promoting "aging-in-place" through the addition of social and health-related services, or to its central relationship to long-term care policy."

For their part, these "aging-in-place" services are administered by a vast number of separate programs at the federal, state and local level each with its own bureaucracy and eligibility requirements. Funding support for these services has, however, played a fiscal back seat to support for institutionalization. As

Pynoos (1990, p. 191) summarizes:

> Long-term care policy has almost exclusively focused financing of nursing home care, despite the recognized need for a continuum of care....Of the $11.5 billion spent by the government on long-term-care services in 1980, over 80 percent or $9 billion was paid by Medicaid for nursing home and other institutional services for the elderly. Only about one-quarter of frail older persons with similar incapacities residing in the community received in-home services, suggesting a large unmet need for assistance.

In fact, cumulating research findings are not so optimistic. Community-based services when packaged and delivered to targeted frail elderly populations currently living independently have not convincingly demonstrated that they substantially delay institutionalization or in the aggregate are any less costly than institutionalized facilities. At best they improve the mental well-being of recipients and their family caregivers. As one major study (Kemper, et al., 1987, pp. 96-97,) concluded:

> Small reductions in nursing home costs for some people are more than offset by the increased costs of providing expanded services to others who would remain at home even without expanded services....This is because it is difficult to serve only those at high risk of nursing home placement, difficult to effect large relatively reductions in placement rates, and costly to provide the level of community care that many feel is appropriate.

Yet consensus exists that shelter, social services, and long-term care are highly interdependent components. Elderly consumers attempting to insure their independence often require individually-tailored packages of these sources of supports. Yet the facilities and services that are required to insure independent living are provided by different interest groups: the government--all levels, the private sector, and the nonprofit sector--who often have different goals and bottom lines. Funding and administrative expertise to develop these packages derive from very different levels of government, different municipalities, and from very self-autonomous departments and divisions, who have a rather dismal track record for working together on anything. The difficult and sad fact is that the diverse mix of housing and social services needed by those at risk of losing their independence is administered by different private and public agencies and organizations each with its own bureaucratic restrictions and regulations. Each public agency and municipality is concerned with its own budget and with rationalizing its existence and is worrying about protecting its own turf. Consequently, there is little time, incentive, or money to focus on the whole picture. Even when a program is administered by one level of government, (e.g., state government), there are often three or four different versions of the program (e.g. board and care residential facilities), each with a different basis for eligibility and levels of benefit. The irony is that even as the need to create a balanced and well-integrated package of shelter, social services, and long-term care becomes more imperative in old age, the fragmentation and complexity of these programs makes access more not less difficult. Thus it becomes difficult to treat the elderly client as a "whole person."

The system is so unwieldy that increasingly information and referral is itself considered a service unto its own right for users and providers. While in most areas of the country there is no shortage of such information--indeed, the availability of information has increased--our housing and service options are so diverse and unwieldy, and the needs of older persons so individualistic that it is often necessary to seek out multiple information sources to appropriate the right mix of supports.

As Pynoos (1990, pp. 171-172) summarizes:

> ...there is a confusing set of uncoordinated policies and programs at all levels of government, with differing priorities, differing eligibility requirements, and separate service delivery systems. Thus, the programs needed to foster aging in place successfully emanate from governmental subsystems that differ considerably in their conceived roles and responsibilities with regard to older persons. For example, at the most elemental level an older person is defined by the health system as a patient, by the public housing system as a tenant, by the personal care system as a client, and by the social security system as recipient. These semantic differences reflect deep differences in the agency role concepts.

In summary, the U.S. publicly-funded programs and services for older people are not geared toward integrating shelter, services, and long-term care needs. Often it is not that these supports are unavailable, but that they are required in combinations and packages that are not easily created or accessed by the average elderly housing consumer or his/her family.

The Canadian Case

It has been estimated (Brink 1984a) that in 1981, about 2.1 million elderly Canadians lived in independent dwellings. Of these, about 60,000 received some form of federal government assistance to continue living independently. Another 93,000 lived in social housing units designed for the elderly, about 12,000 lived in hotels, rooming houses, etc. and over 35,000 lived in some other form of collective dwellings. In addition, almost 169,000 elderly people lived in institutional settings in 1981.

Using 1981 data as the base year, one forecast of housing requirements (Brink, 1984b, p. 53) shows that 392,000 additional housing units for independent living will be needed in 2001 requiring an annual production rate of 19,600 units. For supported, independent living, 334,000 units will be needed requiring an annual production rate of 16,700 units. For specially designed housing, 158,000 units will be required based on an annual production of rate of 7,900 units and for institutional housing, 98,000 units will be required based on an annual production rate of 4,900 units. To place this forecast in perspective, consider that between 1979 and 1984, 14,468 special purpose housing units or about 2,900 per year for all needy groups (i.e., the elderly in nursing homes, battered women and their childen, the mentally and physically disabled, etc.) were produced (Banting, 1989).

Banting (1989) characterizes the current federal government approach as being based on federal-provincial consensus. In housing, this means that from the federal perspective, federal social housing dollars are to be much more tightly targeted on low-income households and that the federal government accepts the principle of provincial delivery of all social housing programs, but Ottawa retains considerable control over broad policy (Banting 1989, p. 27). Compared with other social programs such as education and health where the federal government also contributes financial support to provincial government programs, Banting considers federal housing policy more centralized because federal grants to provinces are conditional, the conditions are stricter (provinces must meet specific conditions to receive federal dollars) and planning and monitoring of how federal dollars are used are more formal and stringent (Banting 1989, pp. 31-32). When compared to the approaches taken to social housing by previous federal governments, however, Banting (1989, p. 30) concludes that the current arrangements have allowed the provincial governments to expand considerably their role in social housing.

Banting (1989, p. 42) further shows that during the 1950s and 1960s, "the regional distribution of federal housing dollars was distorted by provincial fiscal capacity and interest in public housing." The wealthiest provinces spent most and the poorest provinces spent least on social housing including housing for the elderly. This trend was reversed during the 1970s by direct spending by the federal government. The 1980s has brought another set of trends. On the one hand, federal direct spending on social housing has declined vis a vis spending indirectly through the provinces and the private sector. On the other hand, federal dollars are being more equitably spent across regions and on those who are in need as the result of stricter conditions on targeting particular groups (e.g., the elderly and low income families).

From the provincial perspective, however, stricter conditions and more stringent targeting are seen as mechanisms for reducing their flexibility to respond to unique local conditions and the elderly, as consumers, no doubt see these conditions as limiting the number who are eligible for social housing.

The other issue which arises in analyses of federal spending on social housing in the 1970s and 1980s has been the shift to greater reliance on the private sector both to finance social housing and produce it. Chouinard (1989) demonstrates this trend in her analysis of the role of the federal government in sponsoring cooperative housing.

In going through the details of the various provincial programs, several issues arise. First, each province has its own mix of programs. Second, even where provinces provide similar programs in terms of their goals, the conditions for eligibility and the benefits derived can vary considerably. These first two issues raise questions about inter-provincial equity for the elderly. A third issue is how programs are supported. In some cases, it is through a ministry or department directly responsible for the elderly or housing. For other programs, the funding may come from a ministry or department of social services, welfare or health. This raises questions about coordination between programs. Fourth, some of the programs are dependent on cost sharing with another level of government, usually local, or the willingness of a voluntary organization to provide the service. This raises questions about inter-jurisdictional equity within a province.

The Private and Non-Profit Sectors

The dominant emphasis of this chapter on the responses by the public sector should not hide the fact that the private sector provides a wealth of housing and long-term care options highly relevant to older people's shelter and aging-in-place needs. Privately developed continuing care retirement communities, adult congregate living facilities, free-standing assisted living centres, in-home medical and custodial care, reverse mortgage schemes and long-term care insurance are all available options. At issue, however, is not their availability but their affordability and in some cases, their applicability to elderly homeowners only. The costs of these options are simply too expensive for a substantial percentage of those elderly in need to afford.

The importance of non-profit organizations in helping the elderly to remain in their current accommodations should also not be underestimated. Many services, such as meals-on-wheels, wheels to meals, transportation for a variety of essential services, book mobiles, etc. are funded and operated by voluntary organizations, often without grants from any level of government.

The Homeless Elderly

Even with the efforts made by the government, and private and non-profit sectors to house the elderly, there remains a small percentage of the elderly in both countries who are homeless. In the United States, one estimate puts the size of the elderly homeless at 6 percent of the 250,000 to 350,000 homeless on an average night in January 1984 (Perloff, 1987, p.39-40). Although national data are not available, in a study of Metropolitan Toronto, Laws (1988) found that homelessness is a growing problem. Their numbers are small, and as Carliner (1987) points out social housing policy has historically favoured the elderly over other segments of the homeless population, but the trends toward a growing homeless population and a growing elderly population should give rise to a pause in how policymakers consider the roles of the government, and the private and non-profit sectors in housing the future elderly.

Summary

In Canada and the United States, the federal and provincial/state governments offer a wide-range of programs to make affordable housing available to the elderly and to encourage aging-in-place. The direct and indirect funding of housing, cost-sharing with other levels of government and/or the private or non-profit sectors, and the financing of services by federal departments whose mandates are not housing are strategies used in both countries. Provincial and state governments are also active participants in both areas of policy. Our analysis, however, shows that in the 1980s as policy decisions have been made, they have generated new issues concerning the role of the federal and provincial/state governments in the provision of housing for the elderly.

On the surface, there seem to be only minor differences in the approaches being taken by the two countries. Under closer examination, however, significant differences do appear and there are lessons for each country to learn from the experience of the other. In the next and concluding chapter, we use what he have learned from this chapter and the ones which have preceded it to compare housing the elderly in Canada and the United States.

CHAPTER FIVE

CONCLUSIONS: HOUSING THE ELDERLY IN CANADA AND THE UNITED STATES COMPARED

In Chapter One, we suggested that a comparative study on housing the elderly in Canada and the United States might offer up some answers to three general questions:

Do converging trends limit the differences which appear in housing the elderly?

What can policymakers in the two countries learn from experiences in the other country?

Does social policy act as an agent or barrier to integration and interdependence?

To answer these questions, five main dimensions of the relations between aging and the associated public responses of the two countries were examined in detail in Chapters Two to Four. In Chapter Two, demographic trends and distributional issues were examined. Chapter Three focused on the housing circumstances of the elderly and their emerging problems. Chapter Four reviewed past and present strategies for housing the elderly.

Converging Trends

Demographically, there are few differences between the elderly of Canada and the United States. In 1986, the elderly population of Canada was about 2.7 million or over 11 percent of the total population. In 1980, 25.5 million people in the United States were aged 65 and over, representing over 11 percent of the population. This similarity in size will not change over the coming decades. In Canada, one forecast puts the elderly population at 4.1 million or almost 15 percent of the total population in 2006. In the United States, by 2010, the elderly population is projected to be 39.2 million or about 14 percent of the total population. In both countries, the fastest growing cohort of the elderly population is the very old cohort and the age-sex ratio becomes increasing skewed towards elderly females.

Although both countries have suffered short periods of recession since the end of World War Two, the general growth in wealth has contributed to an elderly population today which is financially better off than it was forty years ago and which will be even wealthier forty years into the future all other things being equal. The increased participation of women in the labour force means that they will have increasing access to public and private pension schemes. There remains, however, a small but significant percentage of today's elderly populations in both countries who are dependent on government transfer payments as their only means of income who are geographically concentrated in particular areas of the city, regionally and nationally.

Canada's elderly population remains concentrated in the core of its largest cities although projections by Moore et al. (1989) indicate the urban elderly population will grow much faster in suburban areas than within the urban cores of Canada's cities in the coming decades. The U.S. elderly population is already mainly a suburban elderly population but there remains within the core areas of its largest cities a significant poor and mainly black elderly population. Within both countries, there is also a small in absolute number but growing percentage of the rural population which is elderly.

At the national level, the elderly population will continue to grow most rapidly in the regions of scenic beauty in Canada. In particular, British Columbia, the "cottage country" of Ontario and some localized areas of the Atlantic Provinces are likely to be the major recipients of this growth. In addition, there will continue to be a group of affluent elderly who migrate to the Florida, the southwest and southern California on a permanent or semi-permanent basis.

In both countries, the elderly are mainly homeowners, living with a spouse or another family member, and with small or no mortgages. Among elderly renters, there tend to be many more who are single, female and low income. The housing problems of elderly homeowners are mainly related to the cost of upkeep, increasing local taxes, and declining physical ability to maintain a dwelling. For elderly renters, the main problems are rising rents where rent control does not exist, and the declining condition of the units where rent control does exist. In the United States, decline in the physical conditions of rental units is often exacerbated by their location in deteriorating inner city neighbourhoods. In both countries their has been considerable debate over the underutilization of housing by the elderly and what its net effects are on the housing market and well-being of the elderly.

The link between physical and mental disability and independent living has been recognized as a crucial issue. Increasing disability with age among the elderly means that an increasing level of support is needed to maintain the elderly in their own dwellings. In Canada, support comes from a combination of sources: the individual, family, friends, government transfer payments and services from the public and voluntary sectors. In the United States, support is mainly through the individual's own resources and family and friends.

Given that the majority of trends are converging, does convergence limit the differences in housing the elderly in the two countries? To a great extent, yes. However, there are three important areas of divergence between the two countries which lead in the opposite direction. First, only on the extreme right of the political spectrum does anyone question the role of government in providing transfer payments and services in Canada. Thus, there is widespread acceptance that the government has a role to play in housing the elderly, although there is considerable debate whether it should have a direct or indirect role. Second, neighbourhood decline and its impact on housing in the major cities of the United States has almost no parallels with neighbourhood conditions in Canadian cities. Third, there is no equivalent group significant in size in Canada to compare with the poor, black elderly in United States. These differences have much to do with what each country can learn from the other.

Learning from Experience

In both countries, policies for housing the elderly have gone in two directions: strategies for making available new and existing housing affordable for the elderly and strategies for aging-in-place. At the federal level, institutional arrangements and legislative practice appear more similar than different. The direct legislation affecting housing for the elderly is mainly through national housing acts in both countries. The Canada Mortgage and Housing Corporation (CMHC) is the government body responsible for its implementation in Canada and in the United States, this role falls to the Department of Housing and Urban Development (HUD). Policies used include the direct financing of housing, mortgage insurance, loan guarantees and rent subsidization for making new and existing housing affordable. Aging-in-place policies include rehabilitation and renovation grants, energy conversion and conservation grants, and loans and funding for social services. At the provincial/state level, similar sets of programs also exist either as cost-shared programs with the federal and local levels of government or directly to the elderly.

The appearance of the number and variety of programs offered in both countries mask two sets of serious problems. The fact that there are elderly people living in dwellings in need of serious repairs means that coverage is far from total. Some of the elderly are just not benefiting from the efforts of government at all levels. Second, there are problems of coordination among policies between levels of government and between departments. Making available affordable housing is the role of CMHC and HUD, but many of the aging-in-place programs are funded through other federal departments or at the provincial/state level. At the provincial/state level, similar organizational problems afflict the coordination of housing and aging-in-place policies.

Of all the lessons to be learned from experience in the United States, perhaps the most fruitful one for Canadian policymakers to consider is the treatment of housing the elderly within the context of neighbourhood development. Although there has been much debate in the United States about the effectiveness of the Community Development Block Grant Entitlement Program and the Urban Development Action Grant Program, recognition that improved housing without improving the conditions in which it exists will ultimately lead to other problems for the elderly such as fear of crime and lack of access to services. For the development of a program of this nature, however, departments would have to overcome their coordination problems and federal/provincial agreement would have to occur; a condition which has often proved insurmountable in Canada's constitutional history.

A second lesson, Canadians policymakers could usefully learn is the need for better data. The Annual American Housing Survey provides unique insights into the housing conditions of the people of the United States. A similar annual survey of Canadian housing conditions would be extremely useful in determining housing problems, developing policies to remedy those problems and assessing the outcomes of policies.

For U.S. policymakers, the most important lesson to be learned is likely the role that Canada's universal health care system indirectly plays in aging-in-place policies. Although impossible to measure in any substantive form, Canada's elderly do not need to fear that catastrophic or chronic illness will lead them to sell their homes to cover their costs or place an extreme financial burden on their family and friends because they can be assured that these costs are covered through the health care system to a very large extent. In the United States, no such "safety net" exists until an elderly person meets varying state criteria of need which often means the liquidation of assets including selling one's dwelling. It would be naive, however, to think that such a step could be taken in the United States where there is a strong antipathy towards government intervention in everyday life as evidenced this past year by the defeat of federal legislation for government funded insurance for catastrophic illness.

A question that both governments need to answer at a time when there is growing reluctance for more social spending is how to create a continuum of housing options for the elderly which combines the roles of the government, private and voluntary sectors? The trend in both countries appears to be towards encouraging the private and voluntary sectors to take on the challenge of producing garden suites, accessory apartments, flexible housing, bi-family units, congregate housing, shelter housing, life-care communities, retirement communities and retirement communities, and also to develop aging-in-place strategies such as home-sharing and reverse mortgages (Wigdor and Foot, 1988). Although the private and voluntary sectors may be capable of meeting the demands for housing alternatives by the better-off elderly, the growing number of homeless elderly implies that there is still a segment of the elderly population who need help from the government to remain in their current dwellings or to find alternative housing.

Integration and Interdependence

Taken in isolation, the approaches toward housing the elderly taken by the governments of Canada and United States are similar and are not likely to act as barriers to integration and interdependence. When housing the elderly is seen in conjunction with the provision of health care and social services, however, the issue of whether social policy is a barrier to integration and interdependence becomes more problematic. In Canada, strong public support for universal health insurance, the belief of most Canadians that the government should play a significant role in the delivery of social services, and the constitutional division of powers which places health and social services in the provincial domain, housing policy for the elderly is more likely to act as a barrier to integration and interdependence.

In the short-run, private sector operators from the United States accustomed to a much less regulated housing for the elderly environment are likely to find that they are welcome in Canada, but only if they are willing to accept the constraints imposed upon them by differences in the health and social services sectors. In the long-run, no one can answer with confidence whether Canada will modify its approaches to health and social service delivery to the extent that approaches to housing for the elderly in the two countries becomes indistinguishable; or perhaps the advantages of the Canadian health and social service delivery system will be adopted by the United States. What is certain is that the elderly populations of both countries will be substantially larger and governments will not be able to ignore their housing needs.

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APPENDIX A

U.S. Census Definitions of Severe and Moderate Physical Problems

Severe Physical Problems

A unit has severe physical problems if it has any of the following five problems:

Plumbing. Lacking hot or cold piped water or a flush toilet, or lacking both bathtub and shower, all inside the structure for the exclusive use of the unit;

Heating. Having been uncomfortably cold last winter for 24 hours or more because the heating equipment broke down, and it broke down at least three times last winter for at least 6 hours each time;

Electric. Having no electricity, or all of the following electrical problems: exposed wiring; a room with no working wall outlet; and three blown fuses or tripped breakers in the last 90 days;

Upkeep. Having any five of the following six maintenance problems: water leaks from the outside, such as from the roof, basement or around windows and doors; leaks from inside structure such as pipes or plumbing fixtures; holes in the floors; holes or open cracks in the walls or ceilings; more than 8 inches by 11 inches of peeling paint or broken plaster; or signs of rats or mice in the last 90 days;

Hallways. Having all of the following four problems in public areas: no working light fixtures; loose or missing steps; loose or missing railings; and no elevators.

Moderate Physical Problems

A unit has moderate physical problems if it has any of the following five problems, but none of the severe problems:

Plumbing. On at least three occasions during the last 3 months or while the household was living in the unit if less than 3 months, all the flush toilets were broken

down at the same time for 6 hours or more;

Heating. Having unvented gas, oil or kerosene heaters as the primary heating equipment;

Upkeep. Having any three of the overall list of six upkeep problems mentioned above under severe physical problems.

Hallways. Having any three of the four hallway problems mentioned above under severe physical problems.

Kitchen. Lacking a sink, refrigerator or either burners or oven all inside the structure for the exclusive use of the unit.

APPENDIX B

American Housing Survey National Indicators Used to Judge a Dwelling Unit as Physically Inadequate

Structural Deficiencies

Plumbing

Lacks or shares some or all plumbing facilities:

The unit must have holt and cold piped water, a flush toilet, and a bathtub or shower-all inside the structure and for exclusive use of the unit.

Lacks adequate provision for sewage disposal:

The unit must be connected with a public sewer, septic tank, cesspool or chemical toilet. (Units with this deficiency are almost invariably defined as having a plumbing deficiency as well.)

Kitchen

Lacks or shares some or all kitchen facilities:

The unit must have an installed sink with piped water, a range or cook-stove, and a mechanical refrigerator--all inside the structure and for exclusive use of the unit.

Heating

Has unvented room heaters which burn oil or gas:

If unit is heated mainly by room heaters burning gas, oil, or kerosene, the heaters must have flue or vent.

Electrical

Lacks electricity. Has three out of three signs of electrical inadequacy:

One or more rooms without a working wall outlet; fuses blown or circuit breakers tripped three or more times during last 90 days; exposed wiring in house.

Maintenance Deficiencies

Physical Structure

Has three or more of five structural problems:

Leaking roof; open cracks or holes in interior walls or ceilings; holes in the interior floors; either peeling paint or broken plaster over one square foot of an interior wall; evidence of mice or rats in last 90 days.

Common Areas

Has three or more of four common area problems:

No light fixtures (or working light fixtures) in common hallway; loose, broken or missing stairs; broken or missing stair railings; no elevator in building (four units or two or more floors from main building entrance in buildings four more stories high).

APPENDIX C

Past and Present U.S. Federal Programs for Housing the Elderly

Public Housing Program

This is the largest and oldest housing program for low-income elderly people (age 62 and older) and was established under the Housing Act of 1937. Through legislative changes enacted as part of the Housing Act of 1956 the special needs of the elderly for low rent housing were recognized. Local Housing Authorities, which are usually distinct from municipal governments own and operate these units. Each community through its Public Housing Agency (approximately 3,000 in the U.S.) is charged with the responsibility of developing, maintaining and operating low-rent apartment projects. The Federal Government pays for development costs, debt service, operating subsidies, and modernization funds to the Public Housing Agency. Tenants pay not more than 30 percent of their incomes on rent and utilities. By 1964, 14 percent of the nation's public housing units were occupied by the elderly; and by 1988, 44 percent of the units were elderly-occupied. About 540,000 units are occupied by elderly families.

The Section 8 Program

This program was created in 1974 to provide subsidized housing to low-income families. It initially was directed to both owners of existing housing and developers of new or substantially rehabilitated housing. Payments were made to owners or developers that made up the difference between what rental households could afford to pay for rent (about 30 percent of their incomes) and what the Department of Housing and Urban Development identified as the fair market rent for the dwelling. Up until 1983 it supported the construction of both new and substantially rehabilitated housing. After the Housing Act of 1983 it only supported the subsidization of existing units. Through the Existing Housing Assistant Program, elderly participants select dwellings from the existing private housing stock and then receive assistance paying the rent. An eligible dwelling unit may be one in which they are already living. The range of acceptable market rents are defined by area and formula. As of 1988 it is estimated that Section 8 provided about 983,000 units of assisted housing (both new and existing) for the elderly.

Section 202

This program was first enacted as part of the Housing Act of 1959. Private nonprofit sponsors (religious, fraternal, ethnic groups) could obtain long-term federal loans at very low interest rates (about 3 percent) for the construction or substantial rehabilitation of housing and related facilities for the elderly or disabled. It is the only elderly-oriented program supporting new housing construction at this time. The program was designed to serve older persons with somewhat higher incomes than those supported by the Public Housing Program but still sufficiently low that they could not afford appropriate housing in the private market place.

Laundry facilities, community rooms, and recreational services were found in the large majority of these housing projects. On-site services to address frail older residents were not required, although providing access to community services later became required. Services that were in the minority of Section 202 projects included meal services, and housekeeper/chore and personal assistance services. Funds were not provided to implement or operate these services.

The program has undergone a variety of legislative changes since its inception. Most importantly, the program was linked with Section 8 housing assistance payments under the Housing and Community Development Act of 1974 to make the units more affordable to lower income elderly rather than the moderate-income elderly which it was primarily serving. Tenants now only pay 30 percent of their family income on rent. Loan interest rates are now tied to the average interest rate of all interest-bearing obligations of the US. government, currently in 1989 at about 9.25 percent and amortized over 40 years. Various highly restrictive cost-containment measures were also implemented that resulted in smaller and less design-sensitive features for the elderly. The total number of units built has been cut back, the average number of units per project has declined, a higher percentage of units are efficiencies (despite evidence as to their unsuitability), and congregate areas within the facilities have been reduced in size and number.

As the elderly population have aged-in-place in these facilities, the demand for more supportive services has increased to serve an increasingly frail resident population. Thus in the older Section 202 projects there were more likely to be on-site meal programs, housekeeping services, and greater service provision by manager and on-site staff.

As of 1988 this program has provided about 178,000 units to the elderly and about 12,000 units to the physically and mentally handicapped. About 9 percent of the elderly-occupied units are not subsidized by the Section 8 or related programs.

The section 202 program is considered one of the most successful government-supported attempts to facilitate the production of rental units catering to lower income elderly, especially since it has been combined with Section 8 subsidies. In considerable part this is a function of the dedication of its religious or ethnically oriented non-profit sponsors. The program has had a low default rate, is considered well-managed, residents report high satisfaction with their accommodations and waiting lists are high (U.S. House of Representatives, 1989).

Section 236 Program

This now inactive program was created by the Housing Act of 1968. It gave subsidies to private nonprofit and proprietary sponsors so that interest rates paid by mortgagors for new or substantially rehabilitated multifamily housing were substantially below market rates. This in turn was translated into lower rents. It also insured the mortgages. While no longer active, as of 1985, this program resulted in about 56,128 subsidized elderly units. Almost half of these units (23,574) are estimated to have received Section 8 subsidies. Thus about 32,000 units in this program are not accounted for by other housing programs.

Section 515 Program

This program of the Farmers Home Administration of the Department of Agriculture was originally authorized in 1962 to provide reduced interest loans to private developers of rental housing units for the rural older adult. Private developers may obtain 50 year, 1 percent loans to build rental housing for rural residents or congregate housing for the elderly and handicapped. Under Section 521, the Farmers Home Administration may provide subsidies such that residents do not have to pay more than 30 percent of their income on the fair market rent of the unit. The program was expanded in 1966 to serve all low- and moderate-income families, but about a third of its units (over 100,000 units) are occupied by the elderly.

Mortgage Insurance

Section 231 of the National Housing Act insures mortgages of both non-profit and profit-motivated lenders against defaults on rental accommodations for persons aged 62 years or older. This program is designed solely for unsubsidized elderly rental housing. At the end of 1988, 500 projects, providing 66,539 units for elderly families were insured under this program.

Section 221(d) (3) and (4) have largely replaced Section 231 as programs by which mortgage insurance is provided to finance the construction or rehabilitation of rental or cooperative structures by both profit and non-profit oriented sponsors. Section 221 (d)(3) providing 100 percent mortgage insurance over 40 years has not been widely used in recent years. Section 221 (4) provides mortgage insurance to profit and non-profit sponsors for up to 90 percent of the replacement of a multifamily housing project for the live of the loan (up to 40 years). Under this section mortgage insurance is also available for Retirement Service Centres, which are market-rate residential rental projects offering central dining room facilities and services such as housekeeping and laundry, transportation, security. These projects have not been largely available to low-income elderly.

Under all these insurance programs, approximately, 162,533 units are occupied by the elderly, many of whom it should be noted are also receiving Section 8 rental assistance.

Section 232 is a Federal Housing Insurance mortgage program started in 1959 that provides mortgage insurance for the projects sponsored by both non-profit and profit sponsors involving the construction or rehabilitation of nursing home and intermediate care facilities primarily for the elderly. Under the Housing and Urban-Rural Recovery Act of 1983, Board and Care homes (with 5 or more bedrooms) were also eligible for federally insured loans for construction or rehabilitation, as well as for the installation of fire and safety equipment. As of 1988, 1626 facilities providing 194,197 beds were insured. An additional 64 board and care homes with 6519 units have also been insured.

The Supplemental Security Income (SSI) Program

Authorized by Title XVI of the Social Security Act the main function of this program is to provide a nationally uniform guaranteed minimum income for the elderly. It has become additionally a major source of indirect financial support for those who own and operate Board and Care homes (usually mom and pop congregate housing operations also known as Foster Care and Domiciliary Care), containing multiple bedrooms and providing various personal care supports to under 25 older people who are suffering from various degrees of mental and physical impairments but who do not require skilled nursing care). Many board and care elderly residents use their Supplemental Security Incomes to pay for their board at these places. The majority of states also provide an additional State Supplement for needy board and care residents.

Community Development Block Grant Entitlement Program (CDGB)

Through this program of the Department of Housing and Urban Development funds are made available to large cities and urban counties to conduct development activities to help low and moderate income households, eliminate slums and blight and generally to help local governments deal with their housing and rehabilitative needs. Financing is provided by various mechanisms including grants, loans, loan guarantees, and interest subsidies.

Current accounting procedures make it difficult to determine how much of this money benefits older people and address their housing needs. These funds have been used to assist the operations of senior centres, and to make home improvement loans and provide weatherization services to elderly homeowners and renters. More generally these funds have been used to remove architectural barriers, public services, and improve neighbourhoods. The Department of Housing and Urban Development has given the following specific examples as to the benefits and services received by the elderly under this program (U.S. Senate, 1988):

> Evansville, IN, used $138,000 for a unique program that improves the living conditions of the elderly persons and provides employment for ex-offenders living in halfway houses. Thus far, participants in the Second Chance Paint Program have painted the homes of over 165 low-income elderly homeowners.
>
> Topeka, KS, permits low- and moderate-income persons to earn up to $500 in credits toward the purchase of building materials by donating their time to assist elderly and handicapped homeowners with home rehabilitation. The materials used for rehabilitation are paid for with $60,000 in CDBG Entitlement funds.
>
> Las Vegas and Clark County, NV, provided the League of United Latin American Citizens (LULAC) with $376,477 for the construction of a 4,000 square foot senior centre that provides health, recreational and social services to low-income Spanish-speaking elderly residents of Southern Nevada. The LULAC Housing Authority public housing project is leased to the local non-profit group for the nominal fee of one dollar a year.

Fargo, ND, utilized $540,000 to save the historic Northern Pacific Railroad depot for demolition and the conversion of a portion of the facility into a senior centre. The building was donated by Northern Pacific Railroad and an additional $748,000 in private and State funds were used to renovate the structure. About two-thirds of the facility is occupied by a senior centre that serves more than 100 meals a day, conducts recreation activities, and provides other community programs for senior citizens.

Columbus, OH, used $140,000 for its Operation Weather Beater program which helps low-income, elderly and minority residents "beat the cold" through the installation of low-cost weatherization materials. More than 300 volunteers from various city, county, local businesses, churches, and non-profit organizations installed weatherization materials that reduced the average cost of home heating by 13 percent.

Union Township, PA, used $4,000 for the development of an innovative program that provides day care services to elderly persons resident at the Union Township High School care facility. The funds are used to train students in health care and gerontology through a cooperative agreement between Memorial General Hospital and the Union Township Board of Education.

Rapid City, SD, used $170,000 to rewire and improve handicap access to the Canyon Lake senior citizen centre and an addition to the Minneluzahan senior centre. These funds assisted the elderly by providing more space for the provision of health and nutritional services. These centres serve nearly 100 seniors meals daily.

Sioux Falls, SD, used $41,000 in CDBG Entitlement funds to remodel a senior adult day care centre, improve access to the handicapped, and provide new full-time personal care facilities.

Renton, WA, used $700,000 in CDBG Entitlement funds it received from King County for site acquisition and development of what is believed to be the only publicly-owned and maintained, senior citizen manufactured housing park in the United States. Vantage Glen Senior Home Park can accommodate 164 manufactured housing units for low-income elderly persons. The park contains 22 acres of open space, a community centre/recreation facility, pedestrian access to a bus shelter near the community centre, and parking facilities.

Urban Development Action Grant Program

This is a smaller program designed to enhance local economic development and create jobs in urban communities containing low and moderate income residents. Also administered by the Department of Housing and Urban Development, it is designed to foster private investment in industrial, commercial, or neighbourhood projects in economically distressed communities. In turn, the communities lend funds to private developers thereby making projects more economically feasible. The following specific examples provide some indications as to the benefits received by elderly residents:

> Wilmington, DE, provided $1 million to assist its school board convert the vacant historic Lore School building into 62 one-bedroom apartments for retired senior citizens.
>
> Auburn, ME, used $1 million to help convert a four-story, 115 year old factory building into 74 units of elderly housing, 12 units of market-rate housing, and 7,500 square feet of commercial space.
>
> St. Johnsbury, VT, used $135,000 to help rehabilitate and expand the Cantebury Inn Nursing Home into a 45 bed facility providing 24-hour professional care for the elderly.
>
> Spokane, WA, used a $375,000 grant to help renovate the historic Holy Names Academy into an apartment complex that provides 101 units of elderly housing.

Rental Rehabilitation and Development

This program authorized under Section 17 of the Housing and Urban Recovery Act of 1983 provides grants to states, cities of over 50,000 population, and urban counties with grants to be used to finance the rehabilitation of privately-owned rental housing (occupied by persons of all ages) in areas experiencing shortages of such units. Through grants, deferred payment loans, or below market interest loans, it provides the difference in what the owner of rental property can afford to borrow from a private lending institution and what it actually takes to rehabilitate the property. As of 1988 about 10,449 projects containing 37,652 units had been completed. It is estimated that elderly persons occupied about 11 percent (just over 4,000 units).

Section 312 Rehabilitation Loan Program

This program provides below-market interest rate loans to property owners of all ages to finance the cost of rehabilitation of single-family and multifamily residential and nonresidential properties. The majority of loans have gone to owner-occupants. Properties to be eligible for assistance must be located in urban areas designated as eligible areas for the Community Development Block Grant program and the loan applicants must be unable to obtain a comparable rehabilitation loan from other sources. In fiscal year 1987, it was estimated that 17 percent (about 289 loans) of Section 312 single-family loan recipients were 60 years of age and older.

Source: U.S. Senate (1988) Developments in Aging: 1986 Vol. 3.
Washington, D.C.: U.S. Government Printing Office.